

# 2023-2024 FISCAL YEAR Adopted Budget



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation  
Award*

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**City of Hickory  
North Carolina**

For the Fiscal Year Beginning

**July 01, 2022**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget presentation to the City of Hickory for its annual budget for the fiscal year beginning July 1, 2022.

In order to receive this award a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

## Hickory City Council



**Mayor – Hank Guess**



**Ward 1 – Tony Wood**



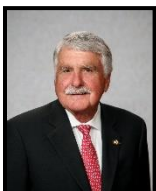
**Ward 2 – Charlotte Williams (*Mayor Pro Tempore*)**



**Ward 3 – Danny Seaver**



**Ward 4 – Anthony Freeman**



**Ward 5 – David Zagaroli**



**Ward 6 – Jill Patton**

## City of Hickory Adopted Budget



**Fiscal Year**  
**July 1, 2023 – June 30, 2024**

# Introduction

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## City Administration

City Manager	Warren Wood
Deputy City Manager/CFO	Rodney Miller
Assistant City Manager	Rick Beasley
Executive Assistant Manager	Yaidee Fox
Airport Manager	Terry Clark
Communications and Marketing Manager	Dana Kaminske
Deputy City Attorney	Arnita Dula
Finance Officer	Melissa Miller
Fire Chief	Matt Hutchinson
Human Resources Director	Mitch Friar
Information Technology Director	Eric Rucker
Library Director	Sarah Greene
Parks, Recreation, & Sports Tourism Director	Mark Seaman
Planning Director	Brian Frazier
Police Chief	Reed Baer
Public Utilities Director	Shawn Pennell
Public Works Director	Steve Miller



# Introduction

From the Council and staff of the City of Hickory, welcome! The pages in this document represent our plans to utilize the City's resources to continue a quality of life that is safe, clean, prosperous, and enjoyable. Hickory is our home, and we take pride in having the opportunity to improve the City through our professional lives every day. We are pleased that by reading through this document you share our desire to enhance one of the most vibrant cities in the nation. We hope that readers at all levels of budget experience will find this document to be an informative presentation of the challenges and opportunities that face the City of Hickory.



***Mayor, City Council, City Manager, and City Attorney***

Municipal budgets can be complex and confusing. Discussions often present the same information from more than one perspective. Technical terms like “Unrestricted Intergovernmental Revenue,” for example, can also be confusing, so this document attempts to define and clarify terms wherever necessary. Should it fail to do so, please contact the City Manager’s Office at (828)323-7412. Please note, however, that the City of Hickory’s budget document emphasizes functional areas of City responsibilities (e.g., Public Safety, Transportation), and does not isolate organizational units or account groupings independently. While the document may present and discuss several pictures of the same budget, centering the discussion on these major themes (functions) facilitates budget discussion at a much broader level.

The layout of the document is intended to take the reader from the broadest budget presentations (trends, consolidated totals, etc.) to the more specific budget presentations (individual department budgets, specific projects, etc.). Realizing that information needs are different for every reader, the document is divided into sections to provide easy “flip-to” access.

# Introduction

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To present a complete picture of the City's finances and spending plans for FY 2023-2024, this detailed Budget Document is organized into the following sections:

\*\*\*\*\*

**City Manager's Message:** The City Manager discusses the major issues that affect City operations. In essence, the City Manager defines the costs of the issues facing the City (expenditures) and proposes the resources (revenues) to apply to each issue.

**Budget Overview:** Fund and functional area highlights are outlined as well as personnel, operational and capital summary totals.

**Budget Ordinance:** The actual legally binding ordinance that establishes the new annual budget.

**City Council Goals and Objectives:** Council's priorities for the next fiscal year are established. Fiscal management policies are also presented, including modifications for the new year.

**Budget Guide:** How does the City develop its budget document, and what do all the pages of numbers and tables mean? This section dissects the structure of the budget and explains the relationships between its many facets. We recommend that the novice reader start here to gain an understanding of the budget.

**Consolidated Budget Summary:** The document begins to evaluate the numbers that have been articulated in the *City Manager's Message* and officially proposed in the *Budget Ordinance*. A context for the budget begins to develop as it is related to budgets of previous years. Consolidated summaries, as well as the detail underlying budget decisions, focus on the premises used to develop the budget. This section presents trends and assumptions for revenues and expenditures, as well as discussions of fund balance projections and personnel projections.

**About City Services:** This section describes all the City departments, outlining their basic responsibilities and programs of work. Also included is a telephone listing for common City services and/or questions.

**Other Funds:** This section describes the Community Development Block Grant (CDBG) entitlement funding awarded to the City of Hickory by the Federal Department of Housing and Urban Development.

**Capital Improvements/Grant Projects:** This section outlines the 5-Year Capital Improvement Plan (CIP), which is a multi-year financial plan for the purchase or construction of capital assets.

**Debt Service:** The City's debt position is outlined with projections for future debt needs.

**Five Year Financial Forecast:** What are the assumptions that will guide the decision-making process in the coming years? Forecasts for expenditures and revenues establish the parameters for budgets for the next five years.

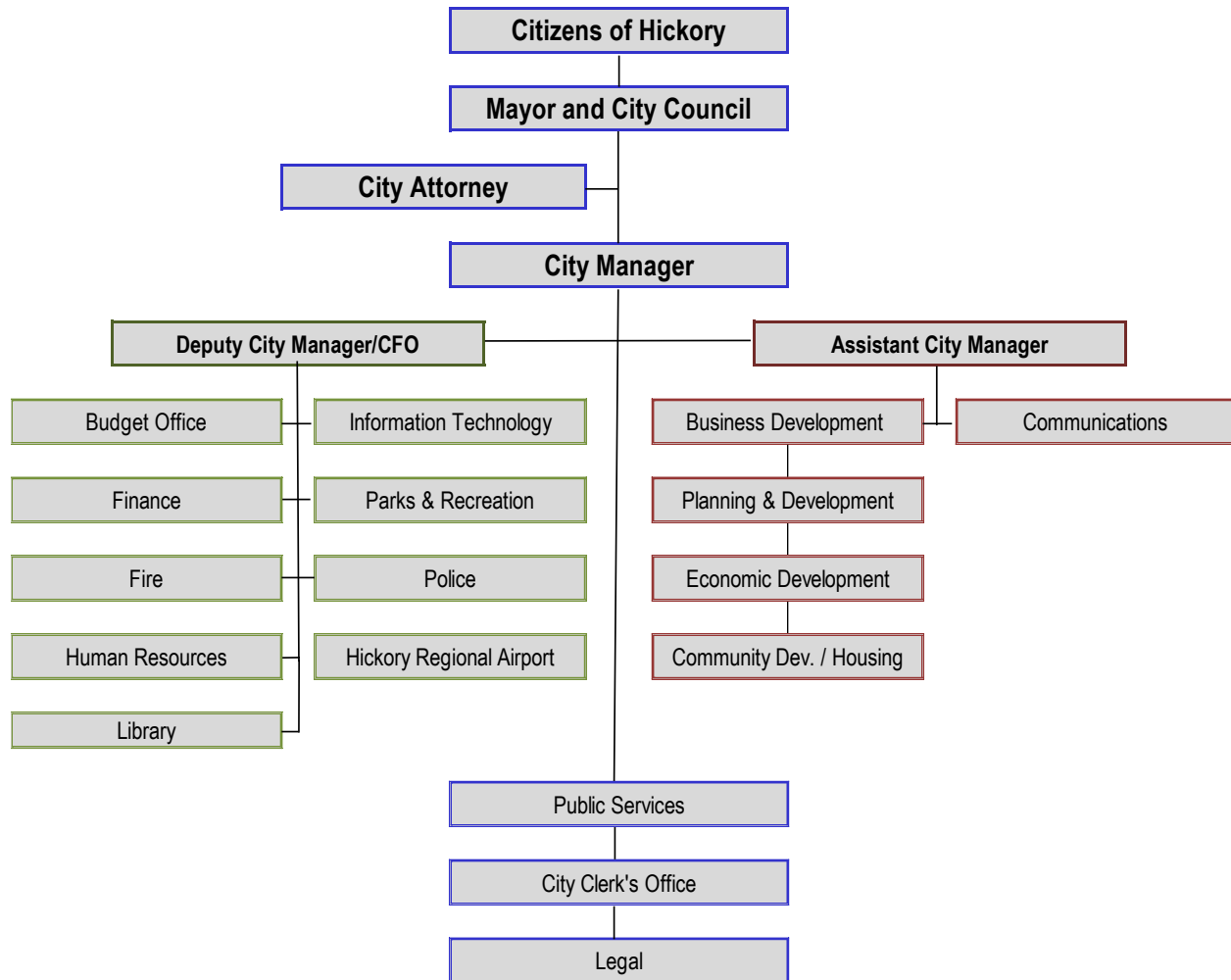
**Performance Measurement:** A feature section that highlights the results of the performance and cost data for those City departments participating in the North Carolina Performance Measurement Project.

**Supplementary Information:** Find background information about the City of Hickory in this section. Included are demographic, geographic, historical, and statistical information, as well as the City's pay plan.

**Budget Glossary:** Definitions of terms used in the document. Most acronyms and technical terms are defined when they first appear in the document, but some are defined in this section to provide needed explanations.



## City of Hickory Department Organizational Chart



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May 16, 2023

Members of the Hickory City Council  
 Hickory, North Carolina

Dear Members of the Hickory City Council:

## INTRODUCTION

### Overview

Pursuant to Section 159-11 of the North Carolina General Statutes, I am pleased to present the City of Hickory's Recommended Annual Budget for FY2023-2024 for your review and consideration. The FY2023-2024 Recommended Annual Budget totals \$136,914,727 an 8.5% increase over the FY2022-2023 Annual Budget and is balanced with projected revenues equaling projected expenditures. This budget has been prepared in accordance with state and national budgeting standards.

The annual budget is the most important policy document City Council adopts each year. There are many changes each year with every new annual budget, but there is also continuity from one budget year to the next on initiatives that have been determined to work and services required to keep our community safe and clean.

<u>Fund</u>	<u>FY22-23</u>	<u>FY23-24</u>	<u>%CHG</u>
General	\$63,141,435	\$68,564,275	8.6%
Water and Sewer	\$36,045,880	\$38,041,282	5.5%
Insurance	\$7,377,413	\$7,565,180	2.5%
Fleet Maintenance Fund	\$3,020,962	\$3,569,998	18.2%
Sludge Compost	\$2,141,323	\$2,001,284	-6.5%
Stormwater	\$273,556	\$278,454	1.8%
Airport	\$1,917,220	\$2,220,352	15.8%
Solid Waste	\$6,593,093	\$7,842,268	18.9%
Capital Reserve	\$3,964,000	\$4,540,000	14.5%
W&S Capital Reserve	<u>\$1,731,286</u>	<u>\$2,291,634</u>	<u>32.4%</u>
<b>Total</b>	<b>\$126,206,168</b>	<b>\$136,914,727</b>	<b>8.5%</b>

Approximately 85% of the City's financial activity in the annual budget occurs in three funds: General, Water and Sewer, and Solid Waste. Below is a summary of each major fund related to the FY2023-2024 Recommended Annual Budget:



## General Fund

The General Fund budget is recommended at \$68,564,275, an 8.6% increase over the FY2022-2023 Budget. The property tax rate for FY2023-24 is recommended to be reduced from 62.75 cents to the **revenue neutral property tax rate of 45.5 cents**.

With Catawba County finishing its county-wide revaluation of real property, which it does once every four years, the City of Hickory saw all real property values within its City limits increase, on average, by 66% (County-wide avg. = 67%). Hickory residential properties increased by an average of 58% (County-wide avg. = 65%), and Hickory commercial/industrial properties increased by an average of 76% (County-wide avg. = 71%). These new values became effective on January 1<sup>st</sup> of this year.

One of the challenges this year is not knowing the property value our tax base will lose through the property value appeals process. We do know that the Catawba County Board of Equalization and Review has already reduced appealed values by around \$110 million and is finishing their review process. There is approximately \$210 million in property value remaining that is being appealed in Hickory. Much of what is being appealed will ultimately end up being heard by the North Carolina Property Tax Commission. We will not know the final outcome of additional reductions until after the City's budget is adopted. The amount of property tax revenue we could lose through the appeals process is significant.

Although real property is the single largest element in the City's property tax base, there are multiple other elements that make up a significant part of the total property tax base that were not part of the revaluation process. Additionally, Hickory has City limits in Catawba, Burke, and Caldwell counties. Caldwell County had revaluation in 2021, so property tax revenue from those properties in the Hickory City limits in Caldwell County will drop in FY2023-2024 as compared to FY2022-2023.

## Water and Sewer Fund

The Water and Sewer Fund budget is recommended at \$38,041,282, a 5.5% increase over the FY2022-2023 Budget. There is a recommended 10% increase in the water and sewer volume charges. This will have the effect of about a \$2.35 per month increase on the average residential water and sewer bill.

The City's Water and Sewer Fund operates a regional system serving about 120,000 customers in 12 different jurisdictions in our region. The City owns and operates 1 regional water plant and 3 wastewater treatment plants. Additionally, we own and maintain 1,000 miles of waterlines and 600 miles of sewer lines.

The Water and Sewer Fund has a number of significant projects under design or construction to both expand and improve our water and sewer system. These include:

New Biosolid Facility	\$37 million
Water and Sewer Extension for Microsoft Project	\$15 million
Falling Creek Pump Station Flooding Resiliency	\$7 million
Snow Creek Pump Station Flooding Resiliency	\$6 million
Murray Basin Sewer Line	\$6 million
Trivium Water and Sewer Lines	\$1 million
Airport Sewer Line	\$2 million
Plant Improvements	\$1 million
Water and Sewer Line Rehab	\$1 million
Radio Read Meter Project	<u>\$5 million</u>
<b>Total</b>	<b>\$81 million</b>

## **Solid Waste Fund**

The Solid Waste Fund contains the financial activity of all solid waste activities of the City. The recommended budget for this Fund is \$7,842,268, a 18.9% increase over the FY2022-2023 Budget. Much of this increase is being driven by a 152% increase in capital expenses due to a number of sanitation trucks needing to be replaced.

The City provides an extremely robust solid waste service with household stops made at every home, every week in Hickory for *residential waste, yard waste, white goods, junk items*, with an additional stop made every other week for *recycling*. Seasonal leaf collection also occurs in the fall on every residential street multiple times which allows residents to avoid the trouble of bagging leaves. With few exceptions, if a resident gets an item to the curb, the City will dispose of it.

The current Solid Waste Fee for our residential customers is at \$26 per month. I am recommending an increase of \$1 per month to help in offsetting increases in fuel and labor costs. The Solid Waste Fund is operationally self-supporting, meaning revenues cover personnel and operating expenditures only, so this fund will depend upon a \$800,000 transfer from the General Fund in order to buy replacement sanitation trucks. Last year, we appropriated \$317,593 in Solid Waste fund balance to purchase replacement sanitation trucks. The Solid Waste Fund cannot afford a significant appropriation of their fund balance in FY2023-2024.

## **OTHER ANNUAL BUDGET FUNDS**

The following funds make up the remainder of the annual budget:

### **Insurance Fund**

The Insurance Fund contains all insurance (health, dental, property/casualty, liability and worker's compensation) activities of the City. This is an Internal Service Fund, meaning this fund accounts for activities that serve other funds within the City's budget structure. The North Carolina General Statutes do not require that Internal Service Funds be included in the Annual Budget; however, they are included in this budget to more fully disclose all of the City's financial operations.

The FY2023-2024 Budget for the Insurance Fund totals \$7,565,180.

### **Fleet Maintenance Fund**

The Fleet Maintenance Fund contains all vehicle and equipment maintenance activities of the City. This is an Internal Service Fund, meaning this fund accounts for activities that serve other funds within the City's budget structure. The North Carolina General Statutes do not require that Internal Service Funds be included in the Annual Budget; however, they are included in this budget to more fully disclose all of the City's financial operations.

The FY2023-2024 Budget for the Fleet Maintenance Fund totals \$3,569,998.

### **Sludge Composting Fund**

The Sludge Composting Fund contains all sludge (wastewater by-product) management activities of Hickory (85% ownership) and Conover (15% ownership). This fund has received its revenues from those jurisdictions as well as the paying customers of the facility. A new \$37 million Biosolids facility is being built to replace the current facility.

The FY2023-2024 Budget for the Sludge Composting Fund totals \$2,001,284.

## **Stormwater Fund**

The Stormwater Fund contains all the activities related to complying with Federal and State Stormwater Regulations. It is jointly funded by both the General Fund and the Water and Sewer Fund, each of which contributes half the Fund's cost to operate.

The FY2023-2024 Stormwater Fund Budget totals \$278,454.

## **Airport Fund**

The Airport Fund contains all activities of the Hickory Regional Airport, including administrative operations, maintenance, capital improvements, Control Tower, and Fixed Based Operations responsibilities. This fund is largely self-supporting through fees and sales; however, during FY2021-2022, the City began contributing property tax revenue in the amount generated by property tax revenue from aircraft.

The FY2023-2024 Budget for the Airport Fund totals \$2,220,352.

## **Capital Reserve Fund**

The Capital Reserve Fund exists as a financial tool to help in the funding of future capital projects. It is the City's practice to budget up to two (\$0.02) cents of the property tax rate towards the Capital Reserve Fund to ensure the availability of funds necessary for capital projects such as buildings, equipment, vehicles and infrastructure.

The FY2023-2024 Budget for the Capital Reserve Fund totals \$4,540,000.

## **W&S Capital Reserve Fund**

The City also sets aside a portion of its Water and Sewer Fund revenue for future water and sewer related capital purchases and projects. Without adequate funding provided to the Capital Reserve Fund, the City would have to rely more heavily on its Fund Balance or debt financing for major capital purchases.

The FY2023-2024 Budget for the W&S Capital Reserve Fund totals \$2,291,634.

## **BUDGET DEVELOPMENT BACKGROUND**

To provide context to the way we have approached developing the FY2023-2024 Recommended Budget, it is important to look at Hickory's economic condition and economic trajectory as well as that of the four county Hickory Metro area.

During the economic struggles our region was experiencing between 2001 and 2013, in 2012 the City embarked on the Inspiring Spaces Initiative in order to create a roadmap to improve the quality of life in Hickory. The belief was with certain strategic public investments, private sector investments would occur as well, and this would result in our area being able to attract and retain a quality workforce.

Building off the work of the Inspiring Places Plan, in 2014 a specific list of \$40 million in public improvements in transportation and economic development was put before the voters in the form of a General Obligation Bond Referendum to provide the funding needed to make the quality of life investments Hickory was in need of. The Bond Referendum was overwhelmingly approved by Hickory's voters.

Since that time the City has leveraged the \$40 million in bond funds to produce an additional \$60 million in grant funding. As a result, our Bond Program and the associated projects are double what was initially approved by the voters.

Hickory’s Bond Program continues to produce positive results for our community. The impact directly attributable to the Bond Program includes \$846 million in private investment, 2,066 new well paying jobs, and 2,797 new residential units either in the sitework or construction phase.

And there is more to come. There are more than a dozen private sector projects that are in the development phase and have not yet come on line. A few examples of these include 111 Main (multi-family), Every Age (multi-family), MDI Expansion, Hampton Heights (single-family), Short Road (single-family), Metronet (high speed internet), and Cataler (manufacturing).

Even though the economy is in a good place in Hickory right now, we always approach developing our annual budget in a conservative manner, particularly when it comes to revenue projections.

As the regional economic hub of the Hickory Metro area, it is important that our whole region is on a positive economic trajectory. The most recent data, listed below, indicates the region is also doing well economically:

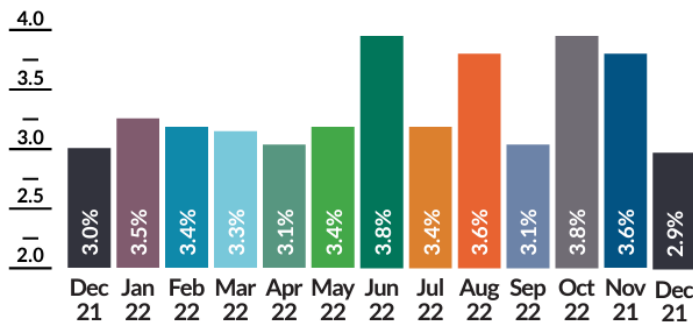
Between December 2021 and December 2022, the estimated number of employed persons in the Hickory MSA increased from 164,303 to 166,820 (2,517), while the civilian labor force grew from 169,313 to 171,808 (2,495). Our unemployment rate is 2.9%. The 4th lowest of all MSAs in North Carolina.

## Civilian Labor Force

The Hickory MSA’s unemployment rate equaled 3.0% in December 2021. The Hickory MSA’s unemployment rate was 2.9% as of December 2022 (Figure 1). Between December 2021 and December 2022, the estimated number of employed persons increased from 164,303 to 166,820 (2,517), while the civilian labor force grew from 169,313 to 171,808 (2,495). In December 2022, the Hickory MSA had the fourth lowest (eleventh highest) unemployment rate among North Carolina MSAs (Table 1). December 2022, unemployment rates by county were Alexander 2.8%, Burke 2.8%, Caldwell 3.0%, and Catawba 2.9%.

**Figure 1. MSA Unemployment, Dec. 2021 - Dec. 2022**

Source: NC Labor and Economic Analysis Division, 2023.



**Table 1.**

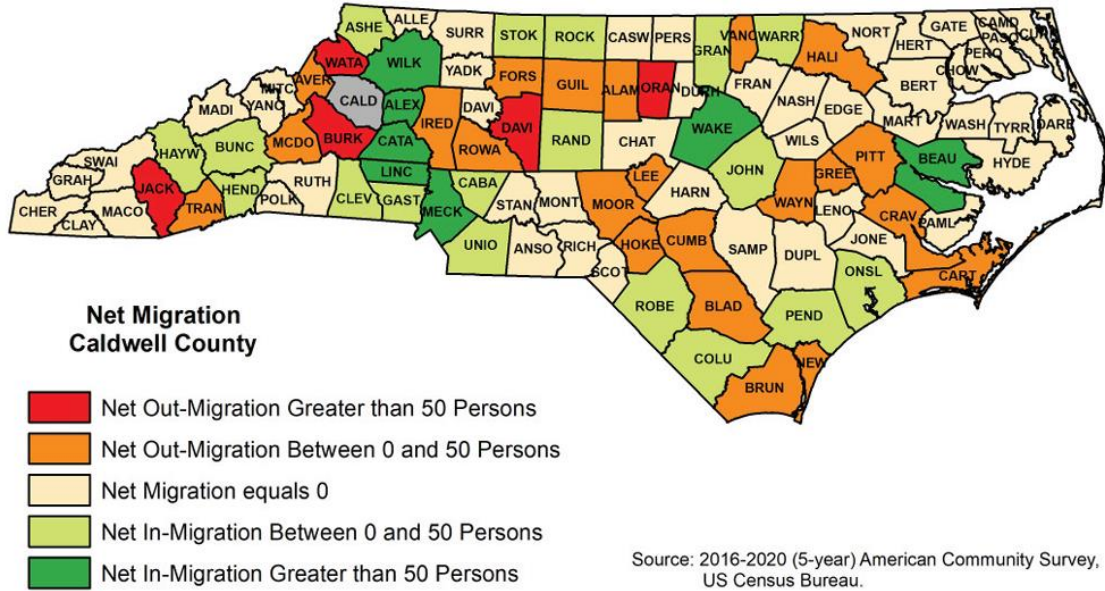
**MSA Unemployment Rate, December 2022**

Asheville	2.5%
Durham-Chapel Hill	2.6%
Raleigh	2.7%
<b>Hickory-Lenoir-Morganton</b>	<b>2.9%</b>
Wilmington	2.9%
Charlotte-Concord-Gastonia	3.1%
Winston-Salem	3.1%
Burlington	3.2%
New Bern	3.2%
Goldsboro	3.4%
Greenville	3.5%
Greensboro-High Point	3.6%
Jacksonville	3.7%
Fayetteville	4.8%
Rocky Mount	5.2%

Source: NC Labor and Economic Analysis Division, 2023.

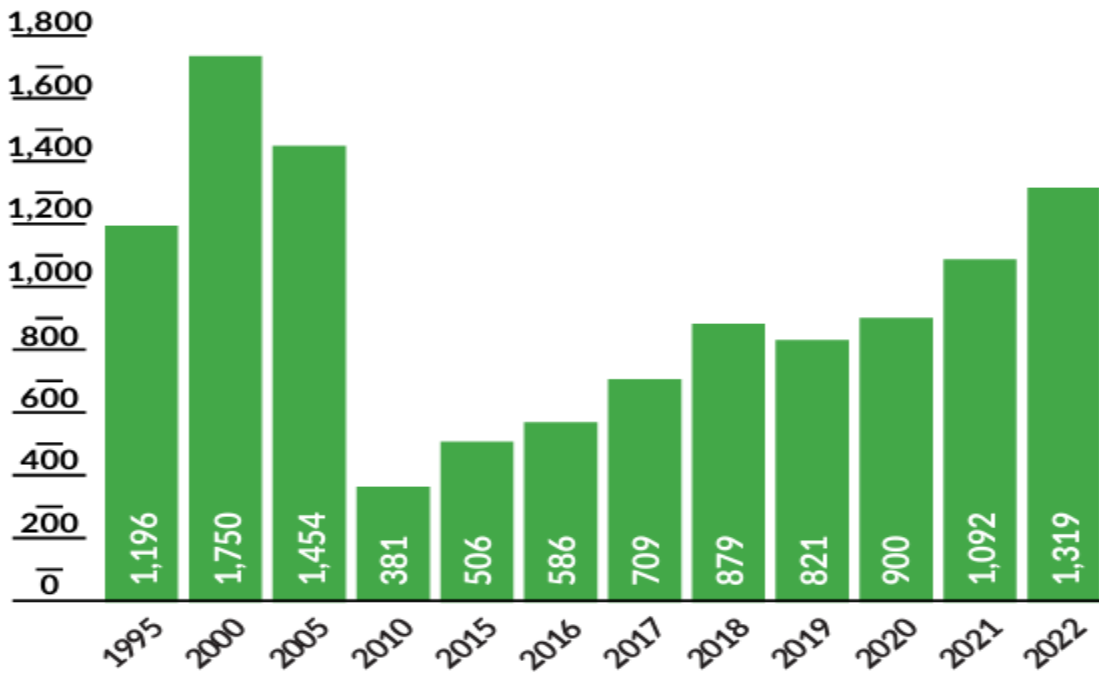


The Hickory MSA had a net increase of 2,715 people through migration between 2016 and 2020. Overall, our region fared well compared to much of the rest of the state with in-migration.

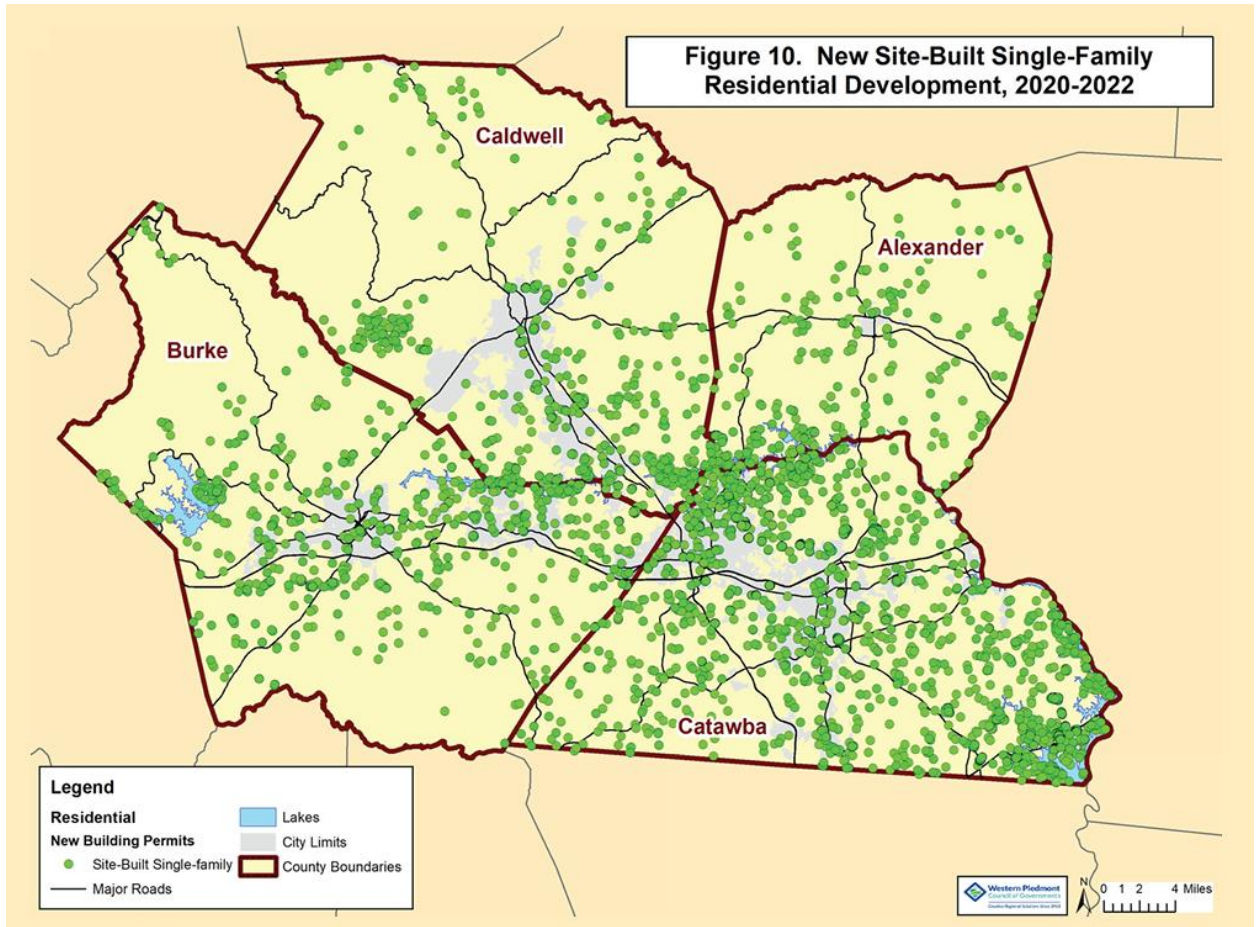


The 1,319 single-family permits issued in the Hickory MSA during 2022 were the most since 2007 (1,410 permits). Catawba County accounted for 55% of all new site-built single-family permits in the Hickory MSA during 2022.

**Figure 8. Hickory MSA Site-Built Permit Tools**  
 Source: Hickory Metro Area Building Inspection Departments, 2023.



Between 2020 and 2022, a majority of the building permits for single family housing were clustered around Hickory and the Catawba River. Specifically, near Lake Hickory and near Lake Norman in SE Catawba County.



The volume of single-family permitting accelerated between 2020 and 2022 in the Hickory MSA. Only the New Bern MSA (54.4%) had a greater percentage of one-unit single-family permit growth between 2021 and 2022 than the Hickory MSA (20.8%).

**Table 10. North Carolina MSA Site-Built Single-Family Permits, 2020-2022**

NC MSA	2020	2021	2022	Change 2020-22	% Change 2020-22	Change 2021-22	% Change 2021-22
Asheville	2,335	2,976	2,740	405	17.3%	-236	-7.9%
Burlington	1,182	1,557	1,793	611	51.7%	236	15.2%
Charlotte*	19,690	20,830	18,987	-703	-3.6%	-1,843	-8.8%
Durham	3,528	3,735	3,175	-353	-10.0%	-560	-15.0%
Fayetteville	1,879	2,055	2,144	265	14.1%	89	4.3%
Goldsboro	414	474	336	-78	-18.8%	-138	-29.1%
Greensboro	2,237	2,593	2,299	62	2.8%	-294	-11.3%
Greenville	687	805	688	1	0.1%	-117	-14.5%
<b>Hickory</b>	<b>900</b>	<b>1,092</b>	<b>1,319</b>	<b>419</b>	<b>46.6%</b>	<b>227</b>	<b>20.8%</b>
Jacksonville	1,351	1,555	1,212	-139	-10.3%	-343	-22.1%
New Bern	522	406	627	105	20.1%	221	54.4%
Raleigh	12,697	14,227	12,494	-203	-1.6%	-1,733	-12.2%
Rocky Mount	339	640	427	88	26.0%	-213	-33.3%
Wilmington	2,248	2,671	2,491	243	10.8%	-180	-6.7%
Winston-Salem	4,126	3,887	3,806	-320	-7.8%	-81	-2.1%

\*Includes South Carolina portion of the Charlotte MSA. Source: US Census Bureau, 2023.

## CONCLUSION

Despite Hickory and our region's economic challenges between 2001 and 2013, we have since witnessed a steady economic upturn. The Inspiring Spaces Initiative's success and the strategic investments made through the Bond Program have strengthened our economic position. The resulting private sector investments, job opportunities, and residential growth have contributed to the overall prosperity and economic well-being of the Hickory Metro area.

Hickory's economic growth shows no signs of tapering off or slowing down. With ongoing private sector projects, continued public infrastructure improvements, ample water and wastewater capacity, and the region's ability to attract new investments, we are well-positioned for sustained economic advancement. These positive indicators instill confidence in Hickory's future economic prospects. All of this has been made possible through City Council's vision and bold action.

I respectfully submit the Recommended Annual Budget for FY2023-2024.

Sincerely,



Warren Wood  
 City Manager  
 City of Hickory, NC

# Budget Overview



## FY2023-2024 ADOPTED BUDGET OVERVIEW

<u>Operating Funds</u>	<u>Adopted Budget Amount</u>
General Fund	\$68,564,275
Water and Sewer Fund	38,041,282
Sludge Composting Fund	2,001,284
Stormwater Fund	278,454
Airport Fund	2,220,352
Solid Waste Fund	7,842,268
<b>Total</b>	<b>\$118,947,915</b>
<u>*Internal Service Funds</u>	
Capital Reserve Fund	\$4,540,000
W&S Capital Reserve Fund	2,291,634
Fleet Maintenance Fund	3,569,998
Insurance Fund	7,565,180
<b>Total</b>	<b>\$17,966,812</b>
<b>All Funds Total</b>	<b>\$136,914,727</b>

\*The Internal Service Funds are supported by budgetary transfers from the Operating Funds they serve. Even though including them in the overview above creates a double counting, to exclude them would not give a comprehensive view of the City's budget.

## THE FUNDS OF THE ADOPTED BUDGET

### General Fund

The General Fund contains all the governmental services that do not generate sufficient revenue to support their activities including Police, Fire, Recreation, Public Services, Library, Planning and Development, Administration, and Governing Body. This fund also transfers portions of its revenue to support the City's Stormwater Fund and the Capital Reserve Fund.

In the FY2023-2024 Budget, the General Fund is balanced with a property tax rate of forty-five and fifty ten thousandths (\$0.4550) cents per one hundred dollars (\$100) valuation. This rate is expected to provide \$36,600,000 in property tax revenue.

For FY2023-2024, the property tax base is estimated to be \$8,077,966,060.

The FY2023-2024 General Fund Budget totals \$68,564,275.

### Water and Sewer Fund

The Water and Sewer Fund contains all water production, water distribution, wastewater collection and wastewater treatment activities of the City. This fund is totally self-supporting, meaning it receives no supplement from any other fund to support its operations.

There is a 10% increase proposed in water and sewer volume rates for FY2023-2024. Water and sewer operations have experienced material and energy cost increases over the past year but only nominal growth in its customer base, therefore necessitating this increase.

The FY2023-2024 Water and Sewer Fund Budget totals \$38,041,282.

### Sludge Composting Fund



# Budget Overview



The Sludge Composting Fund contains all sludge (wastewater by-product) management activities of Hickory, Conover and Catawba County.

Historically, a consortium consisting of Hickory, Conover, and Catawba County managed the Sludge Composting Fund. This fund has received its revenues from those jurisdictions, and the finances of the fund are managed by the City of Hickory. Since FY2022-2023, however, Catawba County is no longer part of the consortium. Thus, Hickory and Conover will contribute 85% and 15%, respectively, to the Sludge Fund operation this year.

The FY2023-2024 Budget for the Sludge Composting Fund totals \$2,001,284.

## Stormwater Fund

The Stormwater Fund contains all the activities related to complying with Federal and State Stormwater Regulations. It is jointly funded by both the General Fund and the Water and Sewer Fund, each of which contributes half the Fund's cost.

The FY2023-2024 Stormwater Fund Budget totals \$278,454.

## Airport Fund

The Airport Fund contains all activities of the Hickory Regional Airport, including administrative operations, maintenance, capital improvements, Control Tower, and Fixed Based Operations responsibilities. This fund is largely self-supporting through fees and sales; however, during FY2022-2023, the City began contributing property tax revenue in an amount generated directly by aircraft. For FY2023-2024, this amount is anticipated to be \$250,000.

The FY2023-2024 Budget for the Airport Fund totals \$2,220,352.

## Solid Waste Fund

The Solid Waste Fund contains the following divisions: Residential Collection, Recycling, and Commercial Bulk Services.

The Solid Waste Fund is largely supported by the Solid Waste Fee which is paid by all residential solid waste customers in the City. For FY2023-2024 there is a recommended rate increase of \$1.00 per month to residential customers and 5% to commercial services.

The FY2023-2024 Solid Waste Fund Budget totals \$7,842,268.

## Capital Reserve Fund and Water and Sewer Capital Reserve Fund

The Capital Reserve Fund exists as a financial tool to help in the funding of future capital projects. It is the City's practice to budget up to two (\$.02) cents of the property tax rate towards the Capital Reserve Fund to ensure the availability of funds necessary for capital projects such as buildings, equipment, vehicles and infrastructure. The City also sets aside a portion of its Water and Sewer Fund revenue for future water and sewer related capital purchases and projects. Without adequate funding provided to the Capital Reserve Fund, the City would have to rely more heavily on its Fund Balance or debt financing for major capital purchases.

In the FY2023-2024 Budget, the General Fund and Water and Sewer Fund will both make financial contributions to the Capital Reserve Fund. The amounts will be \$2,200,000 and \$1,340,000 respectively.

The total budget for the Capital Reserve Fund for FY2023-2024 is \$4,540,000 which includes the appropriations toward major capital purchases and projects along with \$2,291,634 to Water and Sewer Capital Reserve to specifically earmark capacity charge revenues.

# Budget Overview



## Fleet Maintenance Fund

The Fleet Maintenance Fund contains all vehicle and equipment maintenance activities of the City. This is an Internal Service Fund, meaning this fund accounts for activities that serve other funds within the City's budget structure. The North Carolina General Statutes do not require that Internal Service Funds be included in the Annual Budget; however, they are included in this budget to more fully disclose all the financial operations of the City.

The FY2023-2024 Budget for the Fleet Maintenance Fund totals \$3,569,998.

## Insurance Fund

The Insurance Fund contains all insurance (health, dental, property/casualty, liability and worker's compensation) activities of the City. This is an Internal Service Fund, meaning this fund accounts for activities that serve other funds within the City's budget structure. The North Carolina General Statutes do not require that Internal Service Funds be included in the Annual Budget; however, they are included in this budget to more fully disclose all the financial operations of the City.

The FY2023-2024 Budget for the Insurance Fund totals \$7,565,180.

## EXPENDITURES BY FUNCTIONAL AREA

Not only are expenditures accounted for in the various funds, they are also organized into *functional areas*. Below you will find those functional areas as well as a sampling of programs, expenditures and purchases contained in the FY2023-2024 Budget.

**General Government** (Governing Body, City Manager's Office, Office of Communications, Finance, Human Resources, Information Technology, Budget Office, City Clerk, Legal, Engineering, District Court, Public Services Administration, Central Services, Landscape Services, Public Buildings, Insurance Fund, Fleet Maintenance)

- Continued Participation in the North Carolina Performance Measurement Project
- Public Art Commission Funding
- Community Appearance Commission Funding
- Neighborhood College
- Coworker Appreciation Day
- Coworker Service Awards Program
- Coworker Quality Awards Program
- Coworker Health Fair
- Safety Consulting Services
- Technology Upgrades
- GIS Database Maintenance Services (WPCOG)
- Contracted Legal Services (City Attorney)

**Public Safety** (Police, Code Enforcement, Fire, Hickory Rural Fire District)

- Catawba County Animal Shelter Funding
- Replacement of Police Communications Equipment
- Replacement Police Vehicles and Accessories
- Expansion of the Police Camera Program
- Replacement of Police Weapons
- Spay/Neutering Program
- Fire Department Suppression Equipment
- Mandated Fit and Flow Testing for Fire SCBA equipment

# Budget Overview

## **Transportation** (Traffic, Street, Airport, Airport – FBO)

- Installation of Traffic Signal Equipment
- Maintenance of Traffic Signal System
- Street Resurfacing
- Street Maintenance
- Right-of-Way Mowing
- Roadside Litter Contract
- Continued Implementation of the Sidewalk/Bikeway Master Plan (\$5 vehicle fee)

## **Environmental Protection** (Water and Sewer Administration, Wastewater Collection System, Henry Fork Wastewater Treatment Plant, Northeast Wastewater Treatment Plant, Hickory-Catawba Wastewater Treatment Plant, Water Treatment Plant, Pretreatment & Lab Division, Water Distribution System, Sludge Composting Facility, Recycling, Residential Sanitation, Commercial Bulk Services, Stormwater)

- Administration of Federal Stormwater Regulations
- Provide Water and Sewer Taps to Habitat for Humanity projects
- Sanitary Sewer Overflow Program
- Water Tank Maintenance Program
- Water Consumer Confidence Report
- Contract with Veolia Water North America for Sludge Composting Facility Operations
- Provide 85% of the Funding for the Sludge Composting Facility Operations (2 Member Consortium)
- Contract with Republic for Recycling Services (Single Stream)
- Contract for Yard Waste Grinding Services
- Contracted Labor for Leaf Collection
- Replacement of Cardboard Recycling Containers
- Replacement of Multifamily Recycling Containers
- Replacement of Residential Sanitation Containers
- Replacement of Commercial Bulk Dumpsters

## **Economic and Community Development** (Planning and Development, External Economic Development Appropriations, Business Incentives)

- Hickory Metro Convention and Visitors Bureau Funding
- Community Relations Council Funding
- Catawba County Economic Development Corporation Funding
- Funding for the Hickory Downtown Development Association
- Neighborhood Grant Program
- Façade and Landscape Grant Program
- Vacant Building Revitalization and Demolition Grant Program
- Business Incentives Program

## **Culture and Recreation** (Parks, Recreation & Sports Tourism; LP Frans Stadium; Library; Culture & Recreation Special Appropriations)

- Recreation Facility Upgrades
- Recreation Fitness Equipment Replacement
- Priority Facility Use Agreement With Hickory Public Schools
- Funding for Library Technology Upgrades
- Funding for United Arts Council of Catawba County
- Funding for the SALT Block

# Budget Overview

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## Other Financing Uses

- General Fund Transfer to General Capital Reserve (2 cents policy)
- Water and Sewer Fund Transfer to General Capital Reserve

## Debt Service

- General Obligation Bonded Debt
- Hickory Metro Convention Center – General Fund
- Geitner Basin Sewer Project – Water and Sewer Fund
- Maiden Waterline – Water and Sewer Fund
- Northeast Wastewater Treatment Plant – Water and Sewer Fund
- Henry River Basin Sewer Project – Water and Sewer Fund
- Hickory-Catawba Wastewater Treatment Plant – Water and Sewer Fund
- Cripple Creek Sewer Outfall – Water and Sewer Fund
- Central Business District Infrastructure Rehabilitation – Water and Sewer Fund
- Police Department Radio Communications System
- \$7,500,000 Installment Purchase Financing for Multiple Capital Projects

## Contingency

- General Fund maintains Contingency Funding at a level up to 1.5% of Recurring Revenue
- Water and Sewer Fund has no official contingency target, but generally maintains Contingency Funding equal to between 0.5% and 1% of Recurring Revenue



# Budget Overview



## FUND DEPARTMENT MATRIX

	General Fund		Enterprise Fund					Internal Service Fund	
	General Fund	Capital Reserve Fund	Water & Sewer Fund	Sludge Fund	Stormwater Fund	Airport Fund	Solid Waste Fund	Fleet Fund	Insurance Fund
Hickory City Council	X								
City Manager's Office	X								
Communications Office	X								
Risk Management	X								
Budget Office	X								
Human Resources	X								
Finance Department	X								
City Clerk's Office	X								
Information Technology	X								
Legal Department	X								
Engineering Department	X	X							
Office of Business Development	X								
Police	X	X							
Fire	X	X							
Public Services: Building Services	X	X							
Public Services: Central Services			X						
Public Services: Traffic	X	X							
Public Services: Street	X	X							
Public Services: Landscape Services	X	X							
Parks, Recreation, & Sports Tourism	X	X							
Public Library	X								
City Hall/Public Buildings	X	X							
Public Utilities Administration			X						
Utilities Collection			X						
Henry Fork Plant			X						
Northeast Plant			X						
Water Plant			X						
Pretreatment/Lab			X						
Distribution			X						
Sludge Composting				X					
Stormwater					X				
Airport						X			
Fixed Base Operations						X			
Solid Waste							X		
Recycling							X		
Sanitation							X		
Commercial Bulk Services							X		
Insurance									X
Fleet Maintenance								X	

	Special Revenue Fund					Capital Project Fund		
	ARPA Fund	Multi-Year Grant Project Fund	URP Fund	Water & Sewer Capital Reserve Fund	CSOG Fund	General Capital Project Fund	Water & Sewer Capital Project Fund	Airport Capital Project Fund
Hickory City Council								
City Manager's Office								
Communications Office								
Risk Management								
Budget Office								
Human Resources								
Finance Department								
City Clerk's Office								
Information Technology								
Legal Department								
Engineering Department						X		
Office of Business Development			X		X			
Police	X	X				X		
Fire	X	X				X		
Public Services: Building Services						X		
Public Services: Central Services								
Public Services: Traffic						X		
Public Services: Street						X		
Public Services: Landscape Services						X		
Parks, Recreation, & Sports Tourism						X		
Public Library								
City Hall/Public Buildings						X		
Public Utilities Administration								
Utilities Collection								
Henry Fork Plant				X			X	
Northeast Plant				X			X	
Water Plant				X			X	
Pretreatment/Lab				X			X	
Distribution				X			X	
Sludge Composting								
Stormwater								
Airport								X
Fixed Base Operations								X

# Annual Budget Ordinance



## CITY OF HICKORY Budget Ordinance Fiscal Year 2023-2024

**BE IT ORDAINED** by the Governing Board of the City of Hickory, North Carolina:

**SECTION 1:** It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Ad Valorem Taxes	\$ 37,100,000
Other Taxes	23,280,000
Unrestricted Intergovernmental Revenues	690,000
Restricted Intergovernmental Revenues	2,752,463
Licenses and Permits	4,500
Sales and Services	1,855,080
Investment Earnings	250,000
Miscellaneous	381,000
Other Financing Sources	<u>2,251,232</u>
	<b>\$68,564,275</b>

**SECTION 2:** The following amounts are hereby appropriated in the General Fund for the operation of the City government and its activities for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 13,810,863
Public Safety	28,781,439
Transportation	7,494,219
Economic and Community Development	4,248,780
Culture and Recreation	4,696,388
Other Financing Uses	3,389,227
Debt Service	4,793,359
Contingency	<u>1,350,000</u>
	<b>\$68,564,275</b>

**SECTION 3:** It is estimated that the following revenues will be available in the Water and Sewer Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Restricted Intergovernmental Revenues	\$ 1,489,241
Sales and Services	28,246,690
Investment Earnings	60,000
Miscellaneous	1,298,526
Other Financing Sources	<u>6,946,825</u>
	<b>\$38,041,282</b>

# Annual Budget Ordinance



**SECTION 4:** The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 31,951,581
Other Financing Uses	2,625,044
Debt Service	3,064,657
Contingency	<u>400,000</u>
	<b>\$ 38,041,282</b>

**SECTION 5:** It is estimated that the following revenue will be available in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Restricted Intergovernmental Revenues	\$ <u>2,001,284</u>
	<b>\$ 2,001,284</b>

**SECTION 6:** The following amounts are appropriated in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ <u>2,001,284</u>
	<b>\$ 2,001,284</b>

**SECTION 7:** It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Other Financing Sources	\$ <u>278,454</u>
	<b>\$ 278,454</b>

**SECTION 8:** The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ <u>278,454</u>
	<b>\$ 278,454</b>

**SECTION 9:** It is estimated that the following revenues will be available in the Airport Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Sales and Services	\$ 1,857,352
Restricted Governmental Revenues	108,000
Investment Earnings	5,000
Other Financing Sources	<u>250,000</u>
	<b>\$ 2,220,352</b>

# Annual Budget Ordinance



**SECTION 10:** The following amounts are appropriated in the Airport Fund for the operation of Transit and Airport activities for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this City:

Transportation	\$ 2,020,352
Contingency	<u>200,000</u>
	<b>\$ 2,220,352</b>

**SECTION 11:** It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Other Taxes	\$ 30,000
Sales and Services	6,833,200
Investment Earnings	20,000
Miscellaneous	2,000
Other Financing Sources	<u>957,068</u>
	<b>\$ 7,842,268</b>

**SECTION 12:** The following amounts are appropriated in the Solid Waste Fund for the operation of recycling, residential solid waste collection and commercial bulk services activities for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 7,679,098
Debt Service	113,170
Contingency	<u>50,000</u>
	<b>\$ 7,842,268</b>

**SECTION 13:** It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Other Financing Sources	\$ <u>4,540,000</u>
	<b>\$ 4,540,000</b>

**SECTION 14:** The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2023, and ending June 30, 2024 in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 2,200,000
Environmental Protection	1,340,000
Other Financing Uses	<u>1,000,000</u>
	<b>\$ 4,540,000</b>

**SECTION 15:** It is estimated that the following revenue will be available in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2023 and ending June 30, 2024:

Other Financing Sources	\$ <u>2,291,634</u>
	<b>\$ 2,291,634</b>



# Annual Budget Ordinance



**SECTION 16:** The following amounts are hereby appropriated in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2023, and ending June 30, 2024 in accordance with the chart of accounts heretofore established for this City:

Other Financing Uses	\$ 2,291,634
	<u>\$ 2,291,634</u>

**SECTION 17:** The following amounts form the revenue portion of the financial plan for the Fleet Maintenance Fund:

Sales & Services	\$ 3,569,998
	<u>\$ 3,569,998</u>

**SECTION 18:** The following amounts form the expenditure portion of the financial plan for the Fleet Maintenance Fund:

General Government	\$ 3,569,998
	<u>\$ 3,569,998</u>

**SECTION 19:** The following amounts form the revenue portion of the financial plan for the Insurance Fund:

Sales & Services	\$ 7,455,180
Investment Earnings	60,000
Other Financing Sources	50,000
	<u>\$ 7,565,180</u>

**SECTION 20:** The following amounts form the expenditure portion of the financial plan for the Insurance Fund:

General Government	\$ 7,565,180
	<u>\$ 7,565,180</u>

**SECTION 21:** The operating funds encumbered on the financial records of June 30, 2023 are hereby reappropriated into this budget.

**SECTION 22:** There is hereby levied a property tax at the rate of forty-five and fifty ten thousandths' cents (\$0.4550) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2023, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the General Fund in Section 1 of this ordinance. This rate is based on a total estimated valuation of property for the purposes of taxation of \$8,077,966,060 and the Fiscal Year 2023-2024 estimated rate of collection of 99.15%.

**SECTION 23:** The corresponding "FY 2023-2024 Schedule of Fees" is approved with the adoption of this Annual Budget Ordinance.

# Annual Budget Ordinance

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**SECTION 24:** The City Manager (Budget Officer) is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line-item expenditures within the same functional area within a fund without limitation.
- b. He may transfer amounts up to \$250,000 between functional areas including contingency appropriations within the same fund.
- c. He may not transfer any amounts between funds, except as approved by the Governing Board in the Annual Budget Ordinance as amended.

**SECTION 25:** The City Manager (Budget Officer) is hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Governing Body, for the following purposes:

- a. Form grant agreements to public and non-profit organizations;
- b. Leases;
- c. Consultant, professional, or maintenance service agreements;
- d. Purchase of supplies, materials, or equipment where formal bids are not required by law;
- e. Purchase of real property when funds are available or made available by the Governing Body in the budget;
- f. Applications for and agreements for acceptance of grant funds from federal, state, public, and non-profit organizations, and other funds from other governmental units, for services to be rendered;
- g. Construction or repair projects;
- h. Liability, health, life, disability, casualty, property, or other insurance or performance bonds;
- i. All other contracts and agreements adopted by the Governing Body or is authorized to sign by NC General Statutes;
- j. Easements

**SECTION 26:** Copies of the Annual Budget Ordinance shall be furnished to the City Clerk, to the Governing Board and to the City Manager (Budget Officer) and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

# Annual Budget Ordinance



## CITY OF HICKORY 2023 COMMUNITY DEVELOPMENT ENTITLEMENT BLOCK GRANT PROJECT ORDINANCE

**BE IT ORDAINED** by the City Council of the City of Hickory that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

**SECTION 1.** The project authorized is the 2023 Community Development Entitlement Block Grant program.

**SECTION 2.** The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of Housing and Urban Development, and the budget contained herein.

**SECTION 3.** The following revenues are anticipated to be available to complete the project:

Restricted Intergovernmental Revenues	\$328,228
Miscellaneous	<u>\$160,000</u>
	<b>\$488,228</b>

**SECTION 4.** The following amounts are appropriated for the project:

Economic and Community Development	<u>\$488,228</u>
	<b>\$488,228</b>

**SECTION 5.** The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.

**SECTION 6.** Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

**SECTION 7.** Copies of this grant project ordinance shall be furnished to the Clerk of the Governing Board, the City Manager (Budget Officer) and the Finance Officer for direction in carrying out this project.

# City Council Goals and Objectives



## Hickory City Council FY23-FY24 Goals and Objectives

### Strategic Priority: Population Growth & Economic Development

1. Bond Projects
  - A. Complete construction or begin construction on unfinished bond projects and Hickory Trail segments.
  - B. Establish development opportunities along the Hickory Trail System and work toward the goals set forth in the Hickory Trail Report.
  - C. Consider next steps for the creation of additional amenities after the bond projects' completion.
2. Promote Economic Development and Jobs
  - A. Continue pursuing development partnerships and opportunities for high-tech manufacturing at Trivium Corporate Center and its expansion at Trivium East.
  - B. Encourage corporate headquarter recruitment and industrial park growth.
  - C. Continue marketing the remaining City owned industrial properties.
  - D. Continue the utilization of Vacant Building Revitalization and Brownfield Grants to improve blighted properties and redevelop obsolete manufacturing facilities.
  - E. Utilize NCWorks and other career-based initiatives to promote local employment opportunities.
  - F. Support the partnership and construction of the regional workforce training and educational facility called the Hickory Aviation Museum and Catawba Valley Community College Workforce Innovation Center.
3. Encourage Development of Additional Housing
  - A. Support partnerships and policies to help encourage the construction of new housing, both market-rate and affordable, to help alleviate the currently low housing stock.
  - B. Continue to build upon the Hickory Affordable Housing Initiative, utilizing city owned properties to create affordable housing for low-income households.
  - C. Pursue single-family home ownership opportunities in strategic locations to help stabilize distressed neighborhoods including partnerships with non-profit housing groups such as Habitat for Humanity.

### Strategic Priority: Infrastructure

1. Improve Transportation
  - A. Pursue enhancements to Hickory Regional Airport to attract additional aircraft, including the resurgence of commercial air service.
  - B. Work with NCDOT and the MPO to develop other projects benefiting Hickory.
  - C. Continue to partner with Greenway Public Transit system.
2. Leverage the City's Regional Utilities
  - A. Pursue new utility extensions and regional agreements to enhance the utility system's economy of scale.
  - B. Use the City's strength in water and sewer services as an economic development tool.

### Strategic Priority: Quality of Life

1. Provide a Safe Community for Residents and Visitors
  - A. Promote proactive public safety partnerships with citizens and neighborhood groups.
  - B. Support participation in the Law Enforcement Assisted Diversion (LEAD) program.
  - C. Support participation in Active Bystandership for Law Enforcement (ABLE) program.

# City Council Goals and Objectives



2. Offer High Quality Recreation and Cultural Opportunities
  - A. Complete construction of the City Walk, Riverwalk, and Aviation Walk Bond Projects as recreational destinations for citizens and visitors.
  - B. Begin construction of the other components of the Hickory Trail System (Historic Ridgeview Walk and O.L.L.E. Art Walk.)
  - C. Maintain public assets downtown to promote growth and create a unique downtown experience.
  - D. Focus efforts on expanding recreational opportunities through the Parks, Recreation & Sports Tourism Department along with partnerships with the Hickory Metro Convention & Visitors Bureau and other recreation partners in the community.
  - E. Continue partnership with Deidra Lackey family to complete design and begin construction of one-of-a-kind entertainment and cultural venue at Geitner Park.
  - F. Continue to implement the updated library strategic plan as possible within budget constraints.
  - G. Update Recreation Master Plan.
3. Protect the Natural Environment
  - A. Continue to promote the Hickory Litter Quitter Campaign, which encourages residents to make a public commitment to refrain from littering.
  - B. Review single-stream recycling efforts to gauge effectiveness and make necessary modifications to improve efficiency.
  - C. In meeting the EPA NPDES Phase II federal storm water regulations, continue implementing stormwater best practices and complying with stormwater regulations.
  - D. Partner with other organizations (Reese Institute, Duke Energy, Catawba-Wataree Basin Advisory Commission, and the Catawba Riverkeeper) to promote policies and practices which protect the river, improve water quality, and protect our water supply.

## Strategic Priority: Vision and Leadership

1. Support and Promote Higher Education Opportunities
  - A. Work collaboratively with Lenoir-Rhyne University, Catawba Valley Community College, and Appalachian State University on initiatives and opportunities which would positively impact our community.
  - B. Pursue partnerships with local high schools and higher education facilities for recruitment and to encourage careers in municipal government.
  - C. Continue to partner with CVCC to promote careers in public safety.
2. Lead Regional Initiatives
  - A. Be the lead agency on regional economic development issues to adequately represent the hub of the population and workforce in the Metro area.
  - B. Participate on local and regional boards/committees to ensure City interests are preserved (i.e., WPCOG, EDC, MPO, NC Works, and Innovate Catawba).
  - C. Continue to lead the region in protecting and promoting the Catawba River Basin.
3. Promote City Priorities in the 2023-2024 Legislative Agenda to Federal and State Governments
  - A. Continue to monitor State and Federal legislative issues affecting the City.
  - B. Develop and promote state and national legislative priorities that are in the specific interest of the City of Hickory.

## Strategic Priority - Organization Success

1. To attract and retain the best talent, drive organizational success and positively impact the communities we serve.
  - A. Becoming an employer of choice by fostering a culture that values and nurtures our employees' growth, well-being, and professional development.



# City Council Goals and Objectives

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- B. Creating an inclusive and diverse workplace that recognizes all individual's unique perspectives and contributions.
- C. Providing continuous learning and skill development opportunities, enabling employees to thrive and reach their full potential.
- D. Providing a safe and healthy workplace that prioritizes employee well-being, both physically and mentally.
- E. Offering competitive compensation packages and comprehensive benefits.
- F. Recognizing outstanding performance to ensure employees feel valued and rewarded.
- G. Expanding marketing initiatives to include promoting employment & career opportunities within the City of Hickory.

## **Strategic Priority: Communication and Marketing**

1. Provide best practice quality communication on public information and city events to our residents.
2. Expand the City's marketing and recruitment efforts for economic development opportunities as well as workforce development and population growth.
3. Continue to market the City of Hickory "Life Well Crafted" Brand and partner with other entities to promote Hickory as a place to live, work and play.
4. Continue to offer and support interactive and innovative programs offered by the City, such as the Neighborhood College and the Citizens' Police and Fire Academies.

# City Council Goals and Objectives



## Hickory City Council FY 2023-2024 Financial Policies

These Financial Policies are adopted to help guide the City in the management of its financial resources. Although the North Carolina Local Government Budget and Fiscal Control Act regulates North Carolina governmental units in financial matters, these policies adopted by the City Council are often more stringent and reflect the specific desires of City Council. These Financial Policies are designed to allow the City to function as a fiscally sound governmental unit.

### 1. Revenue Policy

- A. The property tax rate shall be set each year based on the cost of providing general government services.
- B. The rate and fee structure established for the Water and Sewer Fund will be sufficient to finance needed operating, capital, and debt service costs for providing water and sewer services. Rates and fees in the Water and Sewer Fund will generally increase annually by the amount necessary to keep the Fund self-supporting.
- C. The City will endeavor to ensure the Solid Waste Fund is a self-supporting enterprise.
- D. Revenue projections will be made in a conservative manner.
- E. To the extent practical, any City service that benefits specific recipients shall be supported either fully or in part by user fees. Those fees will generally increase by the annual Consumer Price Index. Examples include certain recreation programs and fire inspections activities.
- F. Project revenues for five years and update those projections annually.
- G. When investing City funds, safety and liquidity will take precedence over yield.
- H. Except in cases of emergencies, under urgent conditions, or for one-time capital expenses, Fund Balance Appropriated shall not exceed an amount that management can reasonably expect to save during the year.

### 2. Operating Budget Policy

- A. The City will continue to develop benchmarks and productivity ratios integrated with work performance standards to assist in the evaluation of expenditures.
- B. Continue the City's participation in the North Carolina Performance Measurement Project.
- C. Prepare a five-year operating budget projection that will include projections of annual growth.
- D. Ensure that all water and sewer expansions represent sound investments for the City.
- E. During the course of the fiscal year, the City Manager may, at his discretion, take the necessary action to keep the City's Annual Budget balanced and solvent.

### 3. Capital Improvement Policy

- A. Annually, the City will update its Five-Year Capital Improvement Plan, which will list each capital project, the estimated cost and the anticipated year in which the project is to occur. This plan will be used as a guide in the development of the annual budget.
- B. When funding capital items, priority will be placed on the replacement of existing equipment, maintaining existing facilities, and making enhancements to existing facilities. Capital projects related to new facilities not currently in existence will receive the lowest priority, unless a designated funding source is available for the project.

# City Council Goals and Objectives



## 4. Accounting Policy

- A. Annually, an independent certified public accounting firm will issue an official opinion on the City's annual financial statements to the City Council. Additionally, City Council will appoint an Audit Committee to meet with the auditors and discuss their findings.
- B. Financial systems will be maintained to monitor revenues and expenditures on a monthly, quarterly, and annual basis.
- C. Staff will give a Financial Report to City Council on a quarterly basis.

## 5. Debt Management Policy

### Introduction

The City of Hickory recognizes that one of the keys to sound financial management is the development of a debt management policy. A debt management policy sets forth the parameters for issuing debt and managing outstanding debt. The policy provides guidance to the administration regarding purpose for which debt may be issued, types and amounts of permissible debt, and method of sale that may be used. The debt policy recognizes a binding commitment to full and timely repayment of any and all tax supported debt as an essential requirement for entry into the capital markets. The policy shall be reviewed annually as part of the City's budget process and amended as appropriate.

### Purpose

The debt management policy is intended to guide the prudent use of resources to provide the needed services to the citizens of the City of Hickory. Adherence to a debt policy helps to ensure that a government retains a sound debt position and maintains the City's credit ratings with various rating agencies. Development of a debt management policy is a recommended practice by the Government Finance Officers Association (GFOA).

### Debt Instruments

The City will use appropriate debt instruments to provide funding for capital assets at the lowest cost with minimal risk.

#### General Obligation Bonds:

General obligation bonds are bonds secured by a promise to levy taxes in an amount necessary to pay debt service, principal and interest, coming due each fiscal year. General obligation bonds are backed by the full faith and credit of the City. These bonds are authorized by a referendum or by non-voted (2/3) authorization by the governing body. The non-voted authorization allows governments to issue up to two-thirds of the previous year's net debt reduction without a referendum.

#### Revenue and Special Obligation Bonds:

Revenue bonds are bonds that pledge revenues generated by the debt-financed asset or by the operating system of which that asset is a part. Special obligation bonds are bonds that are payable from the pledge of revenues other than locally levied taxes.

#### Other Financing Options:

Installment financings are alternative financing methods that do not require voter approval. Certificates of participation or limited obligation bonds represent an undivided interest in the payments made by a public agency

# City Council Goals and Objectives



pursuant to a financing lease or an installment purchase agreement. The security for this financing is represented by a lien on the property acquired or constructed.

An Installment Purchase Contract is an agreement with a financial institution in which the equipment or property is acquired, and periodic payments are made to satisfy the debt service. The City will typically use this type of financing to finance a capital asset for ten to twenty years with the capital asset being used as collateral for the loan. In other cases, this financing will be used for short-term equipment or vehicle purchases of three to five years.

The City will use pay-as-you-go funding for capital improvements or capital assets having a cost of less than \$250,000 or assets having a useful life of less than ten years unless budgetary constraints require the use of financing to acquire the necessary funding for those capital improvements or capital assets.

## Guidelines for Debt Issuance

The City may issue debt for the purpose of acquiring or constructing capital assets including land, buildings, machinery, equipment, fixtures and any other eligible expenses of the project and for making major renovations to existing capital improvements, for the good of the public. Exceptions to this rule will be considered on a case-by-case basis to determine if the contemplated debt is in the best interests of the City. Long-term debt shall not be used to finance ongoing operational expenses. When applicable, debt issuance will be pooled together to minimize issuance expense.

Before issuing any new debt, the City will consider the following factors:

- Global, national, and local financial environment and economy
- Current interest rates and expected interest rate changes
- Cash position and current debt position
- Availability of funds to repay the debt
- Urgency of current capital needs and flexibility to meet future needs
- Appropriate debt issuance practices and debt structuring

## Debt Structure

The debt structure is made up of the type of debt, interest rate, and principal maturity schedule. This debt could be general obligation, revenue, or special obligation bonds, or other installment financings. The cost of taxable debt is typically higher than the cost of tax-exempt debt; however, the issuance of taxable debt is mandated in some circumstances and may allow flexibility in subsequent contracts with users or managers of the improvements constructed with the bond proceeds. The City will usually issue obligations on a tax-exempt basis, but may occasionally issue taxable obligations when there is an expected benefit from doing so. The City shall establish an affordable debt level to preserve credit quality and ensure sufficient revenue is available to pay annual debt service obligations.

General obligation bonds will generally be competitively bid with no more than a 20-year life unless there are compelling factors which make it necessary to extend beyond this point and applicable law allows a longer term. In a competitive sale, the City may sell its debt obligations in which any interested underwriter or syndicate is invited to submit a proposal to purchase an issue of bonds. The bonds are awarded to the underwriter presenting the best bid according to stipulated criteria set forth in the notice of sale.

Negotiated sales or private placements may be used where allowed when complex financing or sales structure is a concern with regard to marketability. In a negotiated sale, the bonds may be sold through an exclusive arrangement between the City and an underwriter or underwriting syndicate. At the end of successful negotiations, the issue is awarded to the underwriter. This method offers the most flexibility to the City. The criteria used to

# City Council Goals and Objectives



select an underwriter or syndicate in negotiated sales should include, but not be limited to, the following: overall experience, marketing philosophy, capability, recent experience, underwriter's discount, and overall expenses.

The City may elect to sell its debt obligations through a private placement with a financial institution when appropriate. Selection through private placement shall be determined through a Request for Proposal (RFP) process.

Debt service for each issue will be structured in an attempt to minimize the City's interest payments over the life of the issue while taking into account the existing debt obligations of the City. Any debt issued shall not have a maturity date beyond the useful life of the asset being acquired or constructed by the debt proceeds.

The City may also consider various financing methods including fixed or variable interest rate debt in order to minimize the interest costs over the life of the issue. The use of these methods will be evaluated based on market conditions and the maximum benefit to the City while minimizing the City's risk. When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a predetermined formula or results from a periodic remarketing of the securities or reset date determined by the bondholder. The City will limit the issuance of variable rate debt to help maintain the City's credit rating. The City's long term variable rate debt will not exceed 10% of the total outstanding general debt.

Investment of bond proceeds will be consistent with those authorized by existing state law, the City's investment policy and applicable bond covenants. Bond proceeds shall be invested and tracked separately from other investments.

## Debt Ratios

The City will use an objective, analytical approach to determine the amount of debt to be considered for authorization and issuance. This process involves the comparison of generally accepted debt ratios from similar cities and are consistent with rating agencies best practices. These ratios will be re-evaluated every five years or sooner as market conditions dictate. In the event that the City anticipates exceeding any of the debt ratios, staff may request an exception from City Council stating the reason and the length of time.

The City shall adhere to the following ratios:

### Net Direct Debt as a Percentage of Assessed Valuation:

This ratio measures debt levels against the property tax base that generates the tax revenues used as the main source of debt repayment. The City will maintain its debt at no more than 2.00% of the citywide assessed value.

### Net Direct Debt Service as a Percentage of Operational Budget:

This ratio reflects the City's budgetary flexibility to adjust spending levels as economic conditions change. The City will maintain its net debt service at no more than 15% of the operational budget.

### Ten-Year Payout Ratio:

This ratio measures how quickly the City retires its outstanding indebtedness. A higher payout ratio preserves the City's capacity to borrow for future capital needs. The City will maintain its ten-year payout ratio at a 50% level or higher.

## Refinancing of Outstanding Debt

The City will continually review its outstanding debt and recommend issue for refunding as market opportunities arise. Debt shall only be refinanced for the purpose of achieving debt service savings, unless required to achieve specific debt management goals of the City. The estimation of net present value savings should be, at a minimum, in the range of 3% of the refunded maturities before a refunding process would be considered unless the City otherwise determines the annual savings warrant the refunding. The City will not refinance debt for the purpose



# City Council Goals and Objectives



of deferring scheduled debt service, unless unique circumstances are present. The City is aware that refinancing for the purpose of deferring debt service may have an impact on its credit rating.

The City may issue advance refunding bonds when advantageous, legally permissible and prudent while net present value savings are achieved. Advance refunding transactions are those undertaken in advance of the first date the refunded debt can be called for optional redemption and will require an establishment of an escrow account for the defeasance of the refunded debt. All costs incurred in completing the refunding shall be taken into account when determining the net present value savings.

The City may issue current refunding bonds when advantageous, legally permissible and prudent while net present value savings are achieved. Current refunding transactions shall be considered whenever possible. These transactions are undertaken at or after the call date on outstanding debt and provide for redemption and replacement of refunded debt within ninety days of issuance of the refunding debt.

## **Pay-As-You-Go Financing**

The City shall use pay-as-you-go and other alternative sources of funding for capital projects to minimize debt levels. To have an effective pay-as-you-go program, at least one funding source must be identified that is consistent, reliable and large enough to provide for capital needs in an amount that reduces dependency on debt. In order to reduce the impact of capital programs on future years, the City will annually appropriate funds for its capital improvement plan. The City will also appropriate proceeds from the sale of capital assets and land, as deemed appropriate, for capital projects. This practice will allow additional funding of capital improvement projects and reduce the City's dependence on borrowing. Pay-as-you-go funding will save money by eliminating interest expense on funding projects and will improve financial flexibility in the event of sudden revenue shortfalls or emergency spending.

## **Issuance of Debt**

The scheduling and amount of bond sales and installment purchase transactions will be recommended by the City Manager, Chief Financial Officer, and Finance Officer. City Council must approve the sale. These decisions will be based upon the identified cash flow requirements for each project to be financed as well as market conditions and other relevant factors including debt ratios. If the cash requirements for capital projects are minimal in any given year, the City may choose not to issue the debt and fund the project costs and reimburse these costs when financing is arranged. In these situations, the City will adopt a reimbursement resolution prior to the expenditure of project funds. Fixed rate general obligation bond sales are conducted on a competitive basis by the Local Government Commission (LGC), a division of the Office of State Treasurer. Variable rate bonds, revenue and special obligation bonds will be sold on a negotiated basis with a selected underwriter.

The City must receive an opinion acceptable to the market from a nationally recognized law firm that each financing transaction complies with applicable laws and all agreements in connection with any financing are legal, valid and binding obligations of the City.

## **Continuing Disclosure**

In accordance with the Securities and Exchange Commission (SEC), Rule 15c-2-12, the City will provide financial and operating information to the repository or repositories designated by the SEC. Where applicable, the City will also provide its Comprehensive Annual Financial Report (CAFR) and other relevant information to rating agencies, corporate trustees, and financial institutions as required by Continuing Disclosure requirements within all debt documents.

## **Arbitrage Liability Management**

The City will maintain a system of record keeping and reporting to meet the arbitrage and rebate compliance requirements of the federal tax code. This effort includes tracking investment earnings on bond proceeds,

# City Council Goals and Objectives



calculating rebate payments in compliance with tax law, and remitting applicable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues.

It is the City's policy to minimize the cost of arbitrage rebate and yield restriction while strictly complying with the applicable laws. Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, arbitrage calculation will be performed by qualified arbitrage professionals in strict adherence to applicable laws and regulations. These calculations are done in accordance with required Internal Revenue Service reporting dates.

## Credit Ratings

The City will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the City's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The City will continually strive to maintain its bond rating by improving its financial policies, budgets, forecasts, and financial health.

## Financing Team

The City will provide for a solicitation and selection process for securing all professional services required in connection with any debt issues. The service professionals selected will be required to follow the City's debt management policy with the goal of continuity, quality service, and competitive prices.

## Administration and Implementation

The City Manager, Chief Financial Officer, and Finance Officer are responsible for the administration and issuance of debt including the completion of specific tasks and responsibilities included in this policy. Any exception to the debt management policy must be presented to City Council and approved by a specific action by the Council.

## 6. Reserve Policies

- A. In the Annual Budget, the City will reserve the equivalent of two pennies on the City's property tax rate in the General Capital Reserve Fund, for the purpose of funding capital expenditures on a pay-as-you-go basis.
- B. The City will establish a General Fund Contingency Reserve to provide for unanticipated expenditures of a nonrecurring nature to meet unexpected increases in service delivery costs. This reserve will be budgeted at an amount up to 1.5% of recurring General Fund revenues estimated for that fiscal year.
- C. Fund Balance:

### Introduction

The City of Hickory recognizes that a fund balance policy is essential to establishing guidelines for adequate fund balance. The policy will assist in maintaining sufficient levels of available fund balance to meet unexpected financial needs of the City during emergency situations or adverse financial conditions. Rating agencies examine fund balance when considering overall economic health and credit quality of the City.

### Definitions

Fund balance is the difference between assets and liabilities reported in a governmental fund. It is simply a measurement of financial resources available to fund future expenditures of the City.

Fund balance is categorized into five specific classifications based on limitations of use. The Governmental Accounting Standards Board (GASB) defines the classifications as non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

# City Council Goals and Objectives



- I. Non-spendable fund balance – Amounts that are not in spendable form or amounts which are legally required to be remain intact.
- II. Restricted fund balance – Amounts that can be spent only for the specific purposes stipulated by external parties either constitutionally or through enabling legislation.
- III. Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action of the Council. Commitments may be modified or removed by the same formal action required for initial commitment.
- IV. Assigned fund balance – Amounts intended to be used by the government for specific purposes which are neither restricted nor committed.
- V. Unassigned fund balance – Amounts not included in any other classification. Unassigned amounts are available for any legal purpose.

## Policy

The City of Hickory formally establishes the goal of maintaining unassigned fund balance in the General Fund in an amount of twenty-five percent (25%) of the General Fund expenditures. This amount represents three months of operating expenditures for the City.

Based on the recommendation of the North Carolina Local Government Commission, the City of Hickory will maintain available fund balance in the General Fund in an amount no less than eight percent (8%) of the General Fund expenditures. The independent auditor of the City shall monitor the City's compliance with this established fund balance policy. The auditor shall report related findings and recommendations annually as part of the City audit.

## Use and Replenishment

General fund balance will not be appropriated to support the ongoing operations of the City except in extreme emergency situations. It will be used for expenditures considered non-recurring in nature. If the fund balance amount should fall below the twenty-five percent (25%) goal level at the end of the fiscal year, Council must approve and adopt a plan to restore the balance to the goal level within twenty-four (24) months. If restoration of the fund balance cannot be accomplished within the time period without severe hardship to the City, then Council will establish a different time period agreed upon by Council members and City management.

## **4. Financial Partnerships Policy**

- A. When feasible, the City will seek financial partnerships with organizations in the community as a means of providing services in the most cost-effective way.
- B. When renovating, enhancing or constructing City-owned facilities, the City will seek financial partnerships, when feasible, with organizations or individuals who benefit from those facilities in order to limit the use of public funds and to maximize the benefit of those funds.

## **5. Investment Policy**

### **Purpose**

It is the policy of the City of Hickory (hereafter the "City") to invest public funds in a manner which maximizes security and provides maximum return in preserving and protecting funds while meeting the daily cash flow demands and adhering to all applicable statutes governing the investment of public funds.

# City Council Goals and Objectives



## **Governing Authority**

The investment program of the City shall be operated in conformance with federal, state and other legal requirements, including provisions of North Carolina General Statute 159-30.

## **Scope**

This investment policy applies to all financial assets in the City's investment portfolio. Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds in accordance with generally accepted accounting principles and G.S. 159-30(e).

## **General Objectives**

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield.

### Safety

Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

### Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

### Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- Liquidity needs of the portfolio require that the security be sold.

## **Standards of Care**

### Prudence

Investments will be made according to the "prudent person" standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

### Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their

# City Council Goals and Objectives



ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

## Delegation of Authority

Authority to manage the investment portfolio is granted to the City's Finance Officer, who shall act in accordance with established procedures and internal controls for the operation of the investment portfolio consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer. The Finance Officer will be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinates.

## **Safekeeping and Custody**

### Delivery vs Payment (DVP)

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

### Safekeeping

Securities will be held by an independent third-party custodian selected by the City as evidenced by safekeeping receipts in the name of and for the benefit of the City. The custodian shall be a trust department with an account with a Federal Reserve Bank and authorized to act as trustee in North Carolina.

### Internal Controls

The Finance Officer shall establish a system of internal controls designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City.

## **Suitable and Authorized Investments**

### Investment Types

Only the investments authorized by General Statute 159-30 will be permitted by this policy.

### Collateralization

In accordance with North Carolina General Statute 159-31(b) and the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on deposits at interest and certificates of deposit. The City shall utilize the pooling method of collateralization and shall use only banking institutions approved by the North Carolina Local Government Commission.

## **Investment Parameters**

### Diversification

Investments of the City covered by this policy must be diversified to eliminate the risk of loss as a result of over concentration of securities in a specific maturity, a specific issuer, or a specific class of securities.



# City Council Goals and Objectives

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## Maximum Maturities

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase.

It is the City's intent to hold investments until maturity to ensure the return of all invested principal dollars. Changes in economic or market conditions may require the City to sell or trade securities prior to maturity.

## **Reporting**

Investment activity shall be reported to City Council during the quarterly financial report presentation by the City's Chief Financial Officer.

## **Exemption**

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, funds shall be reinvested in securities which conform to this policy.

The information in the previous sections focused on how City government plans to allocate resources for the upcoming fiscal year. Subsequent sections of the document describe the detail behind those plans as the budget is examined at consolidated, functional, departmental, divisional, and in some cases, line item levels.

The *Budget Guide* begins the transition from a broad budgetary plan to a specific working budget for City operations. Here, the reader will find explanations for much of the data that follows. This section also provides an opportunity to pause and examine the many facets of budgeting for which this document is merely the end product. What has changed in the City budget since last year? How and when does the process of allocating over \$100 million occur? How is the City's budget organized, and what do all those terms mean?

Because this section is intended to provide mostly background information, the reader is invited to exercise judgment when reading it. The veteran budget reader may wish to skip the *Budget Format: The Basics* pages because they describe the basic structure of the City's budget. However, the novice reader will find these pages a good starting point for developing an understanding of information in the rest of the document.

## **What's New in the Budget?**

Changes to the FY2023-2024 budget reflect the ongoing efforts by the City of Hickory to enhance the municipal environment through the ongoing Bond Projects while maintaining a high level of basic services. As with any new budget year, many changes are necessary to meet new community, financial, or legal obligations and mandates.

The most significant changes to the FY2023-2024 budget are:

- The City's property tax rate is recommended to decrease from 62.75 cents per \$100 value to a revenue neutral property tax rate of 45.5 cents per \$100 value.
- Water and Sewer volume rates are increasing by 10%, resulting in a \$2.35 per month increase on an average residential water and sewer bill.
- With increasing costs of Solid Waste operations from fuel and labor costs, the City is recommending a \$1 increase from \$26 to \$27\$ per month that will generate approximately \$145,000 in additional revenue to offset those costs. In addition, there is an \$800,000 transfer from the General Fund to replace multiple sanitation trucks to keep up with robust service levels expected by our residents.

There have been no other significant changes to the structure of the budget. However, each year the City of Hickory submits its budget document to the Government Finance Officers Association Distinguished Budget Awards Program for review. This year's budget contains minor revisions based on the comments of those professionals who reviewed last year's budget document.

# Budget Calendar

- **December 7, 2022** Personnel expenditures projected by Human Resources
- **December 13, 2022** Budget Kick-off Meeting: **9:00 a.m. @ Council Chambers**
  - Distribute Initial Allocation Sheets
  - Distribute Budget Manual
- **December 14, 2022** External appropriation request letters sent out; also notices re: Board and Commission Workplan deadlines
- **December 14, 2022** Publish newspaper ad re: notification of call for External appropriation requests (due date January 21, 2023)
- **January 2-31, 2023** Departments may request to meet with the City Manager to make additional budget requests or to negotiate budgets
- **January 6, 2023** Worker's Compensation, Property and Liability Insurance by Risk Management
- **January 6, 2023** Debt projected by Finance (existing debt only)
- **January 6, 2023** City Council Financial Policy expenditures (transfers and contingency) projected by Budget Office
- **January 9, 2023** Departments to have **entered FY23-24 operational** budget requests into H.T.E. **Requests should balance to department's initial budget allocation.**
- **January 11, 2023** New position requests and reclassification requests due to Human Resources
- **January 16, 2023** Departments to have **entered FY23-24 capital** budget requests into H.T.E.
- **January 20, 2023** External Appropriation requests due
- **January 23, 2023** Fleet Management to review and make recommendations on new capital vehicle/equipment requests
- **January 23, 2023** City Engineer to review and make recommendations on capital construction requests
- **January 23, 2023** Information Technology to review and make recommendations on technology requests
- **January 31, 2023** Fee Schedule sent to departments for FY23-24 changes
- **February 3, 2023** Projected revenues entered into H.T.E. by Budget Office

# Budget Calendar

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- **February 3, 2023** Board & Commission workplans due
- **February 3, 2023** 5-year CIP to be entered into H.T.E. by departments
- **February 15, 2023** Performance Measurement pages sent to departments
- **February 28, 2023** Departments to return FY23-24 Fee Schedule changes to Budget Office
- **March 1, 2023** City Manager's Recommended Budget balanced
- **March 13, 2023** Performance Measurement pages due to Budget Office from departments
- **Week of April 10, 2023** Individual Management Briefings to City Council members re: FY23-24 budget
- **Weeks of May 1 & 8, 2023** Management Presentations to City Coworkers on FY23-24 budget
- **May 16, 2023** City Council Meeting:
  - Call for public hearing on Recommended Budget
- **May 19, 2023** Publish notice of public hearing and make a copy available to news media in the County
- **June 6, 2023** City Council Meeting:
  - Public Hearing on Recommended Budget
  - FY23-24 Budget approved on 1<sup>st</sup> reading
- **June 20, 2023** City Council Meeting:
  - FY23-24 Budget adopted on 2<sup>nd</sup> reading
- **June 23, 2023** Notification of tax rate sent to Tax Administrators in Burke, Caldwell and Catawba Counties
- **June 24, 2023** Notify organizations who requested appropriation of City funds of funding status
- **July 1, 2023** Fiscal Year 2023-2024 begins

# Budget Planning

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## Phase I (Initial Budget Planning Stage)

Budget planning for the FY2023-2024 Annual Budget began in Fall 2022. Recommendations were to continue with the budget development cycle and budget development calendar.

## Phase II

In December of 2022, projections of personnel expenditures and projections of risk management insurance expenditures were made for the upcoming fiscal year. This information is used to determine what new revenues would need to be produced to maintain current staffing levels and to maintain current risk management insurance policies. These projections are done early due to the significant dollar value involved with these items and the vital role they play in the overall budget development process.

## Phase III

In November and December of 2022, Budget staff held individual budget meetings with divisions/departments for preliminary discussions on significant budgetary needs for FY2023-2024 and to review the status of performance measures.

## Phase IV

In January 2023, there was a “Budget Kick-off Meeting” held with all departments. At this meeting, departments were given the FY2023-2024 budget manuals, FY2023-2024 budget calendar, FY2023-2024 personnel projections, FY2023-2024 risk insurance projections, instructions for performance measurement reporting, and initial operational target budgets for each department. In addition, debt projections were made by the Finance Department for FY2023-2024. All new personnel requests were due to the Human Resources Department by December 11, 2023.

## Phase V (Final Budget Planning Stage)

Annually, the Hickory City Council adopts their Goals and Objectives, which are derived from the Council-Staff Work Sessions. This document is used throughout the year as a guiding tool to ensure that the philosophy defined by the City Council is advocated and carried out by City departments as they deliver services to the public. Also, the Goals and Objectives guide City officials in budget development and planning for the upcoming and future budget years. In short, this policy document provides the structure by which the City of Hickory functions during the fiscal year.

Planning for the upcoming budget was completed at this point and the development of the FY2023-2024 recommended annual budget began.

## **How the Budget Process Works**

### Basis of Accounting and North Carolina Local Government and Fiscal Control Act

The City of Hickory uses the modified accrual method as the basis for budgeting and for accounting for all funds. This approach to accounting recognizes revenues when they become measurable and expenditures at the time the liability is incurred. All revenues and expenditures must be included in the annual budget ordinance or the appropriate capital and/or grant project ordinances. Any operational appropriations that are not expended or encumbered shall lapse. The North Carolina Local Government Budget and Fiscal Control Act (LGBFCA) controls how cities budget and spend money. The major effects of the LGBFCA on the budgetary process are as follows:

# Budget Planning

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## Budget Preparation Calendar

The LGBFCA establishes the dates by which each stage in the annual budget process is to be completed (G.S. 159-10 through 13). These dates are as follows:

Departmental requests must be submitted to the budget officer by April 30.

Revenue estimates must be submitted to the budget officer by April 30.

The recommended annual budget must be submitted to the Governing Board by June 1.

The Governing Board must adopt the annual budget ordinance by June 30.

## Budget Forms and Procedures

The Budget Officer must prescribe the forms and procedures for the departments to use in preparing their requests; in the words of G.S. 159-10, requests “shall be made in such form and detail, with such supporting information and justifications, as the Budget Officer may prescribe.” G.S. 159-10 also requires that a budget request show actual expenditures for the prior year, estimated ones in the current year, and requested ones for the coming budget year.

## Departmental Requests

G.S. 159-10 requires that the budget request for a department include revenues or fees that it will collect in the budget year.

## Recommended Budget

G.S. 159-11 requires that the Budget Officer’s recommended budget be balanced unless the Governing Board insists that an unbalanced budget be submitted. It is also required that the budget be submitted to the Governing Board with a budget message. G.S. 159-11(b) states that the message should include:

- A concise explanation of the governmental goals fixed by the budget for the budget year.
- Important features of the activities anticipated in the budget.
- The reasons for stated changes from the previous year in program goals, programs, and appropriation levels.
- Any major changes in fiscal policy.

## Board Review

Once the recommended budget is presented to the Governing Board, several general legal provisions apply to Board review and adoption of the budget ordinance.

- At least ten days must pass between the submission of the recommended budget and adoption of the budget ordinance.
- On the same day the budget is submitted to the Governing Board, the Budget Officer must file a copy of it in the City Clerk’s Office where it is made available to the public and press.
- The City Clerk must publish a notice that the budget has been delivered to the Governing Board and is available for public inspection. This advertisement must also note the time and place of the required public hearing.
- During the time between submission and adoption, the Governing Board may conduct its review at both regular and special meetings. At least one of these dates must be a public hearing at which any person who wishes to comment may.
- The Open Meeting Law (G.S. 143-318.9 through 318.18) applies to the budget review and adoption process.



# Budget Planning

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## Adoption of the Budget Ordinance

The budget ordinance must contain the appropriations, the estimated revenues, and the property tax *levy* as well as the property tax *rate*.

## Budget Adoption and Amendment

The operations conducted by the City are guided by the annual budget ordinance adopted in accordance with the provisions of the North Carolina Local Government Budget and Fiscal Control Act. The Budget Ordinance must be balanced and adopted prior to the beginning of the Fiscal Year. Adoption of the budget by City Council establishes the legal authority to incur expenditures in the ensuing fiscal year.

After the adoption of the Budget Ordinance, the City Manager (Budget Officer) is authorized to transfer appropriations between line-item expenditures within a department. He may also transfer amounts not to exceed \$250,000 between functional areas, including contingency appropriations, within the same fund. All other budget amendments must be approved by the City Council through legislative action. All amendments affecting the original budget ordinance not within the scope of the authority granted to the City Manager require two readings for City Council approval

# Budget Format: The Basics

Comprehending the Annual City Budget requires the reader to understand the differences between two perspectives of the same budget: the *functional* perspective, by which the City is managed, and the *accounting* perspective, by which City finances are accounted for. When City Council adopts or amends a budget, it is allocating resources into functional areas (as listed in the *Budget Ordinance*). By managing a budget organized around these major functions, City Council can better direct how City resources are applied.

City Council manages the budget at the broadest level. Council policy, statutes, and financial standards mandate the City's accounting system parallel the functions, but at a much more detailed level. The accounting structure of the City is organized on the basis of account groupings called *funds*, each of which is considered a separate accounting entity. Government monies are allocated to and accounted for in individual funds based upon the purposes for which they are earmarked, and the means by which spending activities are managed. The budgeted monies (i.e., revenues) must always equal the proposed expenditures within each fund. This segregation of financial activity ensures that certain funds, which are restricted in purpose, are explicitly spent on the appropriate government function.

A fund is one of two types: an annual fund or a project fund. Council appropriates operational funds on an annual basis and operational funding lapses at the close of the year. Project funds continue for the life of each specific capital or grant project with appropriations continuing until the project is finished. The City of Hickory's Annual Budget Ordinance contains all operational appropriations and consists of nine funds: the General Fund, Water and Sewer Fund, Sludge Fund, Airport Fund, Stormwater Fund, Fleet Maintenance Fund, Insurance Fund, Solid Waste Fund, and Capital Reserve Fund. The City adopts all project budgets as Capital or Grant Project Ordinances, which are described in the *Capital Improvements/Grant Projects* section of this document.

An operational fund's revenue sources are a key distinction for two types of operating funds – *General Fund* and *Enterprise Funds*. All city budgets have at least one fund, the *General Fund*, which is supported by a variety of revenue sources, including the most substantial, the ad valorem property tax levy. The *General Fund* contains those departments and divisions which do not produce enough revenue to support their operations. The best examples of operations housed in the *General Fund* include Police, Fire, Library, Recreation, Planning, and Administration.

Like most cities, Hickory has another type of fund called *Enterprise Funds*, which exist on the market viability of the services provided in that fund. The Water and Sewer Fund, the Solid Waste Fund and the Stormwater Fund are *Enterprise Funds* that rely almost solely on user fees generated from the services they provide. The Sludge Compost Fund is an enterprise fund financed through intergovernmental agreements of participation by Catawba County and the cities of Conover and Hickory. The Airport Fund exists with funding from user fees, intergovernmental agreements, and grant funding.

Although funding sources can vary, an *Enterprise Fund* is expected to generate enough revenue to equal projected expenditures.

Finally, Hickory also utilizes *Internal Service Funds*. These funds account for activities that serve other departments or parts of the same government, rather than the public. Hickory maintains two *Internal Service Funds* including the Fleet Maintenance Fund and the Insurance Fund. In addition, Hickory has two *Special Revenue Funds* which are the General Capital Reserve Fund and the Water and Sewer Capital Reserve Fund. Even though there is no statutory obligation to include *Internal Service Funds* or the *Special Revenue Funds* in the Annual Budget, Hickory does include them in order to more fully reveal the City's finances. We have established that budgets, while managed by functions, are also managed as complex accounting

# Budget Format: The Basics

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groupings called funds, which are either operational or project oriented in nature. Operational funds can be enterprise funds depending on the fund's revenue characteristics.

Knowing these key principles is important, but consider this: City employees do not work for funds, they work for departments and divisions. The day-to-day operations of City government are conducted through 45 departments and divisions.

Here is the most important question for budget understanding: how do functions, funds, and departments (divisions) interrelate? The simple answer is that departments are subsections of both functions and funds. Each department is managed by its functional duties and its financial distinctions. For example, the Fire Department is part of the *Public Safety* function, and is included in the *General Fund* because it is not a self-supporting entity (enterprise fund). Each department belongs to one function and one fund. A fund can include any number of departments, including departments of different functions. A function can include departments from many funds. Managing the aggregate of all departments in a fund allows staff to measure the financial health of specific City endeavors, while managing the aggregate of all departments in functions allows City Council to consolidate the myriad of City services into clearer segments. When Council appropriates money for the Fire Department and the Recreation Department, it is addressing needs in two functional areas, *Public Safety* and *Culture and Recreation*, but it is allocating the resources of one fund, the General Fund.

## About the Document Presentation

All combinations of departments and divisions, funds, and functions appear in this budget document. The presentation takes the reader from discussions of the broadest overview in the budget document (*Consolidated Budget Summary*) to discussions of the most specific departmental review (*General Fund, Enterprise Funds*). The document places a distinct emphasis on the City's departments and divisions because these pages represent the plans of the men and women who are charged with the duty of providing services to citizens. Following the City budget from this basic level back up through funds, functions, and consolidated totals can help the reader associate services to the respective budget data.

The departmental presentations are summaries of all expenditures and revenues associated with each department's activities. One of the most daunting tasks of preparing a budget document is deciding how to present the hundreds of individual budget codes (line-items) in a format that promotes the decision-making process. Every account code is relevant to the process. Unfortunately, it is not possible to effectively present literally hundreds of account codes.

Instead, this document presents budget data in a summary form that shows groups of like data by category (e.g., Personnel, Operations, Capital). Presenting the City of Hickory's budget in this style facilitates comparisons between groups of data, making the overall trends more discernible to the reader. Acknowledging that the reader does not have access to every account code, the Budget Highlights attempt to explain key departmental changes by relating the "numbers behind the numbers" to budget summaries. A second document that presents the complete listing of all City of Hickory budget codes only is also available through the City of Hickory's Budget Office (828-327-7412) if further detail is needed.

# Budget Format: The Basics

In the *General Fund* and *Enterprise Funds* sections the reader will find the cornerstones of the City: the departments and the divisions. Here is where narrative descriptions highlight what each department accomplished in the year that is ending, as well as the goals and objectives for the upcoming budget year. Coupled with this is a presentation of the resources budgeted for the department. The purpose is to show the evolution of City services as of the start of the new fiscal year. Using an expenditure table as an example, the presentation of the data is as follows:

Expenditure by Type	2015-2016	2016-2017	2017-2018	Percent Change
	Actual	Budgeted	Budgeted	
Personnel	6,548,258	6,674,652	6,844,130	3%
Operations	799,871	771,684	782,356	1%
Capital	99,567	256,680	263,750	3%
Pro Rata Reimbursement	8,804	9,331	9,331	0%
<b>Expenditure Total</b>	<b>7,456,500</b>	<b>7,712,347</b>	<b>7,899,567</b>	<b>2%</b>
<b>Per Capita</b>	<b>191</b>	<b>198</b>	<b>202</b>	

Audited data from the last completed fiscal year.

Budget for each category as adopted for the current fiscal year. The fiscal year begins July 1 of each calendar year.

The budget for the new fiscal year which begins on July 1.

The percentage of change from budget to budget.

Please note that all tables in the budget present the same three-year format. Since the budget data is in summary form (as discussed earlier), we should understand what the summaries constitute.

Expenditure by Type	2015-2016	2016-2017	2017-2018	Percent Change
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<b>Per Capita</b>	<b>191</b>	<b>198</b>	<b>202</b>	

Includes salaries, wages, and fringe benefits (FICA, insurance, et al.)

All expenditures not directly related to Personnel, Capital, or Pro-Rata Admin. Reimbursement. Includes everything from postage to traffic signs.

Adjustments for the value of services provided or received to or from other City departments. (Example: The cost for the Human Resources Department to recruit for a vacancy in another department.)

Includes expenditures for land, buildings, equipment, vehicles, and other expenditures exceeding \$500, with a life expectancy of more than 1 year.

# Budget Format: The Specifics

## GENERAL FUND

The **General Fund** is the general operating fund of the City and is used to account for all revenues and expenditures except those required to be accounted for in another fund. This fund is established at the inception of a government and exists throughout the government's life.

### General Fund Revenues

- **Ad Valorem Taxes** - Collections of current and prior year property tax levies, refunds, late listing penalties, and interest on delinquent taxes.
- **Other Taxes** - Three sales tax allocations (Article 39 one cent, Article 40 one-half cent and Article 42 one-half cent), utility franchise tax, telecommunications tax, \$5 vehicle fee, and a local option hotel/motel occupancy tax levied for tourism development.
- **Unrestricted Intergovernmental** - Beer and wine tax, payments in lieu of taxes, and traffic control revenue received from NCDOT.
- **Restricted Intergovernmental** - Federal, state, and local assistance restricted for specific uses including the Powell Bill street allocation, North Carolina Department of Transportation (NCDOT) street maintenance, various public safety and culture/recreation grants, Catawba County fire district tax, and Catawba County's participation in the provision of Hickory library services.
- **Licenses and Permits** - Revenues generated for privilege beer and wine licenses, and taxi permits.
- **Sales and Services** - User fees charged for the provision of various city services including, but not limited to: parking rentals, cemetery lot sales, police and fire charges and fines, cable franchise fees, and revenues generated for recreation and library services.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Miscellaneous** - Includes unanticipated revenues such as donations, discounts earned, the sale of capital assets, and insurance reimbursements.
- **Other Financing Sources** - Proceeds from the issuance of bonds, installment purchase contracts, or lease purchase agreements, transfers from capital project funds, or fund balance appropriated.

### General Fund Expenditures

- **General Government** - Expenditures for the City Council and Administration consisting of the City Manager's Office, Budget Office, Risk Management, Human Resources, Finance, City Clerk, Communications, Information Technology, Legal, Public Buildings, District Court Building, Union Square, Engineering, Central Services, and Landscape Services, as well as various special appropriations.
- **Public Safety** - Expenditures for the Police Department, the Fire Department, the Hickory Rural District, and various special appropriations.
- **Transportation** - Expenditures for the Traffic and Street Divisions of Public Services.
- **Economic and Community Development** - Expenditures for the Planning and Development Department; Economic Development Incentives, and several special appropriations.

# Budget Format: The Specifics



- **Culture and Recreation** - Expenditures for the Recreation Department, Parks Maintenance, L.P. Frans Stadium, Hickory Public Library, and various special appropriations.
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund.
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases.
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

## ENTERPRISE FUNDS

The **Water and Sewer, Stormwater, Sludge Compost, Airport, and Solid Waste** Enterprise Funds combine to account for proprietary fund activity. These funds are financed and operated in a manner similar to private business enterprises, where the intent of the Governing Body is to recover costs of providing the service through user charges. These funds provide water and sewer service to over 97,000 customers inside and outside the city limits, regulate stormwater runoff, produce a high quality compost material, provide air transportation services, and provide solid waste services, respectively.

### Water and Sewer Fund Revenues

- **Restricted Intergovernmental** - City of Conover repayment portion of debt service for Hickory's Water Treatment Plant, Catawba County's portion of the Hickory Catawba Wastewater Treatment Plant, City of Claremont and Town of Hildebran operations maintenance contracts, and the Town of Maiden's buy in to the City's Water Plant.
- **Sales and Services** - Initial tap fees and user fees charged for the provision of water and sewer service.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Miscellaneous** - Plant capacity fees charged with water or sewer taps and any unanticipated revenues.
- **Other Financing Sources** - Proceeds from the issuance of bonds, installment purchase contracts, or lease purchase agreements, transfers from capital project funds, or fund balance appropriated.

### Water and Sewer Fund Expenditures

- **Environmental Protection** - Expenditures for Administration, Collection Division, the Henry Fork Wastewater Treatment Plant, the Northeast Wastewater Treatment Plant, the Hickory-Catawba Wastewater Treatment Plant, the Water Treatment Plant, the Lab Division, and the Distribution Division of the Public Services Department, and special appropriations.
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund.
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases.



# Budget Format: The Specifics

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- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

## Stormwater Fund Revenues

- **Other Financing Sources** - Transfers from other funds, or fund balance appropriated.

## Stormwater Fund Expenditures

- **Environmental Protection** - Expenditures for Administration/Engineering, Stormwater - Transportation Division, Stormwater - Solid Waste Division, and the Stormwater - Landscape Division.

## Sludge Composting Fund Revenues

- **Restricted Intergovernmental** - Intergovernmental funding for operational expenses from the City of Hickory for 84.5% and the City of Conover for 15.5%.

## Sludge Composting Fund Expenditures

- **Environmental Protection** - Expenditures for contracted services with a private contractor to operate the Sludge Composting Facility.

## Airport Fund Revenues

- **Sales and Services** - User fees charged for the provision of various Airport services such as Airport property rentals.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Restricted Intergovernmental Revenues** – Contributions from Catawba and Burke Counties for tower operations.

## Airport Fund Expenditures

- **Transportation** - Expenditures for Airport operations.
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

## Solid Waste Fund Revenues

- **Other Taxes** - Solid Waste Excise Tax revenue received from the State of North Carolina.
- **Sales and Services** - User fees charged for the provision of various solid waste collection services including: curbside, recycling center, cardboard, white goods, yard waste, tipping fees for the county landfill and commercial bulk services.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.

# Budget Format: The Specifics

- **Miscellaneous** - Unanticipated revenues.
- **Other Financing Sources** – Transfer from Capital Reserve Fund towards replacement truck, and an appropriation from the Solid Waste Fund Balance for operational support.

## Solid Waste Fund Expenditures

- **Environmental Protection** - Expenditures for Recycling Services, Residential Sanitation, Commercial Bulk Services, contracted services with Republic, and Catawba County landfill tipping fees.
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for major capital purchases.
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

## INTERNAL SERVICE FUNDS

The **Fleet Maintenance Fund**, **Insurance Fund**, and **Capital Reserve Fund** are internal service funds that have been set up in order to more accurately account for expenditures for vehicle and equipment maintenance, insurance costs and capital reserves. This enables the City to better grasp the true cost of providing these internal services on the departmental and divisional levels.

## Fleet Maintenance Fund Revenues

- **Sales and Services** – Charges for vehicle and equipment repairs, which are charged to individual departments.

## Fleet Maintenance Fund Expenditures

- **General Government** – Expenditures for vehicle and equipment maintenance and repair.

## Insurance Fund Revenues

- **Sales and Services** – Charges for health, dental, workers compensation, property, casualty, and liability insurance. These revenues are derived from charges to individual departments.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Other Financing Sources** – Support from Fund Balance allocation.

## Insurance Fund Expenditures

- **General Government** – Expenditures for health, dental, worker's compensation, property, casualty and Liability of insurance.

# Budget Format: The Specifics

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## Capital Reserve Fund Revenues

- **Other Financing Sources** - Transfer from the General Fund and Water & Sewer Fund for future capital projects or purchases, and an appropriation from the Capital Reserve Fund Balance towards capital expenditures during FY2023-2024.

## Capital Reserve Fund Expenditures

- **General Government** – Money received from the General Fund into Capital Reserve, to be used for future general capital expenditures.
- **Environmental Protection** – Money received from the Water and Sewer Fund into Capital Reserve, to be used for future water and sewer capital expenditures
- **Other Financing Uses** – Money transferred to other funds for planned capital projects or capital purchases during the current Fiscal Year.

## Water and Sewer Capital Reserve Fund Revenues

- **Other Financing Sources** – Transfer of Capacity Charges from the Water & Sewer Fund for future capital projects, and an appropriation from the Capital Reserve Fund Balance towards capital expenditures during the current Fiscal Year.

## Water and Sewer Capital Reserve Fund Expenditures

- **Other Financing Uses** – Money transferred to the Water and Sewer Fund for planned capital projects or capital purchases specifically with Capacity Charge revenues during the current Fiscal Year.

# Consolidated Budget Summary



The *Consolidated Budget Summary* section begins the budget presentation by examining the budget at the broadest level. Here, the assumptions and trends that helped determine the basic framework described in the *Budget Guide* section are presented. Later sections will provide further detail about the individual funds, departments, and divisions.

The discussion here begins with revenues, which are followed by financial totals, functional trends, fund balance projections, and staffing totals. Revenues must fully support expenditures in a balanced budget, so no budget can begin without an understanding of the resources available. Certain methods, techniques and approaches have been used to aid the City in estimating future revenues. By analyzing current trends and the underlying forces, the City can make realistic projections of revenues.

## Revenue Assumptions

The most important aspect to understand regarding how revenues are budgeted in the City of Hickory's Annual Budget is that for most of the City's major sources of revenue, all that will be budgeted for FY2023-2024 is what we project to receive by the end of FY2022-2023. This conservative approach to budgeting helps ensure that budget projections are met, helps to guard against unanticipated economic downturns and, in most years, allows us to place funds into Fund Balance at year end. City Management believes that budgeting unrealized increases in revenues for an upcoming fiscal year, especially with major sources of revenue, is risky at best and could be counter-productive in the end.

The following are other assumptions concerning some of our most significant sources of revenue that are forecast in the City of Hickory's FY2023-2024 Annual Budget.

## REVENUES

## FORECAST RATIONALE

### AD VALOREM TAXES

Ad Valorem Taxes

The City contracts with Catawba County to assess and collect property taxes. By the beginning of FY2023-2024, Hickory's assessed property value is projected at \$8,077,966,060.

The General Fund's property tax rate will be \$.4550 per one hundred dollars (\$100) valuation of property with an estimated collection rate of 99.15%. The total Ad Valorem Tax category of revenues is budgeted at \$37,100,000 for FY2023-2024. The Ad Valorem category of revenue includes: current year's collections, prior year's collections, penalties and interest, and refunds.

### OTHER TAXES

Sales Tax

The State collects and distributes the proceeds from the locally levied tax on retail sales. The Article 39 original one-cent local option sales tax is distributed on a point-of-sale basis. Article 40, a one-half of one percent rate and Article 42, also a one-half of one percent rate, are revenue placed in a statewide pool and then distributed state-wide on a per capita basis.

Utility Franchise Tax

The City shares in the sales tax levied by the State on piped natural gas and electricity sales. This tax is collected by the State and then distributed quarterly through a predetermined formula to North Carolina municipalities. This revenue is highly sensitive to the weather. Cool summers and mild winters can lead to a year with little or no growth in

# Consolidated Budget Summary



receipts from this tax. Any annexations of industrial or other facilities that are heavy users of utility services could also create growth in this source of revenue. For FY2023-2024 we project the same amount as budgeted in FY2022-2023.

Telecommunications Tax

This tax was previously a part of the Utility Franchise Tax, but was broken out as a separate tax received from the State of North Carolina in FY2003-2004. The Telecommunications Tax is levied by the State on all telephone service. Each city's share of this is tax based on the actual receipts from telephone and cable television service within their municipal boundaries during the fiscal year.

## UNRESTRICTED INTERGOVERNMENTAL REVENUES

Beer and Wine Tax

Cities share in the sales tax revenue from the sale of both beer and wine, based on population.

Traffic Control Revenue

The City of Hickory, through a cooperative agreement, maintains the NCDOT's traffic control systems located within the city limits of Hickory. The City receives annual reimbursements for this service from the NCDOT through the form of Traffic Control Revenue. This revenue may vary from year to year depending upon annual maintenance schedules and scheduled projects, and is projected based on what the City's Traffic Division anticipates.

## RESTRICTED INTERGOVERNMENTAL REVENUES

Powell Bill

Gasoline sales taxes are shared by the State with its municipalities through a legislative act known as the Powell Bill. Revenue distribution projections to local governments are based on a formula that combines both "per capita" values and "per mile" values. Hickory has had little growth in its population or the miles of streets it maintains.

Sludge Compost

These revenues are based on the percentage of participation for the fixed contract to operate the Sludge Compost Facility by Veolia Water. The percentage of participation is: City of Hickory - 85% and City of Conover - 15%. Variable costs of operations are charged by percentage of use by each local government.

## LICENSES AND PERMITS

Privilege Licenses were previously a significant source of revenue for the City but were repealed in FY2015-2016.

# Consolidated Budget Summary

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## SALES AND SERVICES

Parking Rentals	The City owns and operates eleven (11) parking lots in the downtown area. Some are unrestricted lots and some are leased lots. Revenue received from this enterprise, as well as parking tickets issued, remains relatively constant from year to year and is transferred to the City's Capital Reserve Parking Fund for future parking projects, after the cost of collection/enforcement is deducted.
Recycling Revenue	Revenue received for recycling services. These charges are based in part on costs for collection, preparation, and transportation of recycling material to market.
Water and Sewer Charges	Water and sewer rates will see a 10% increase in volume charges with the FY2023-2024 Annual Budget over the FY2022-2023 rates. This increase will help to keep the Water and Sewer Fund 100% self-supporting.
Water and Sewer Taps	The City charges fees to customers for connecting to the City's water or sewer system. The FY2023-2024 tap fee revenue is projected to remain flat compared to the FY2022-2023 budgeted amount.

## INVESTMENT EARNINGS

Investment Earnings	Investment earnings are conservatively projected on the basis of average available cash balances at an anticipated average rate of return of 1%.
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## FUND BALANCE/ RETAINED EARNINGS

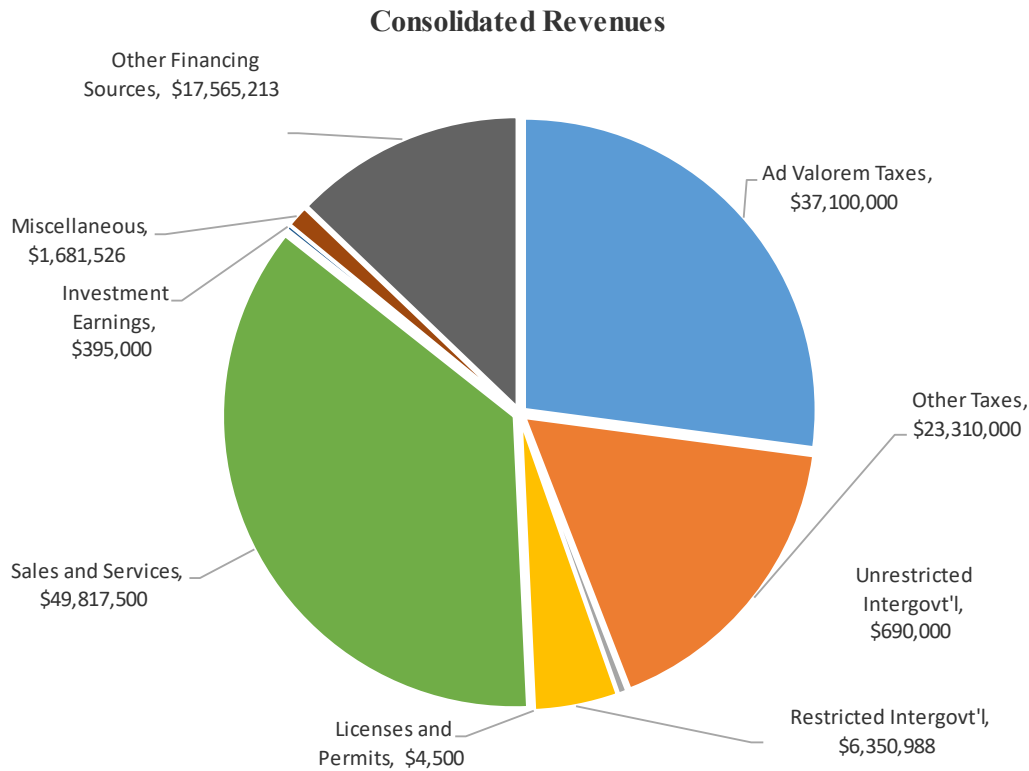
Fund Balance Appropriated	Fund Balance/Retained Earnings appropriated generally does not exceed an amount that management can reasonably expect to save during the year.
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# Consolidated Budget Summary



This consolidated revenue graph and table contain all funds, including the internal service funds (Fleet Maintenance and Insurance) and the Capital Reserve Fund. Insurance and fleet costs are budgeted in each of the departments/divisions to better capture the actual cost to provide services. The Fleet Maintenance Fund and Insurance Fund then use budget revenues from each of these departments and the expenditures associated with the actual costs to provide these services. This inflates the “Sales and Services” revenue source but omitting these funds from this section would not give the reader a comprehensive view of the City’s finances.

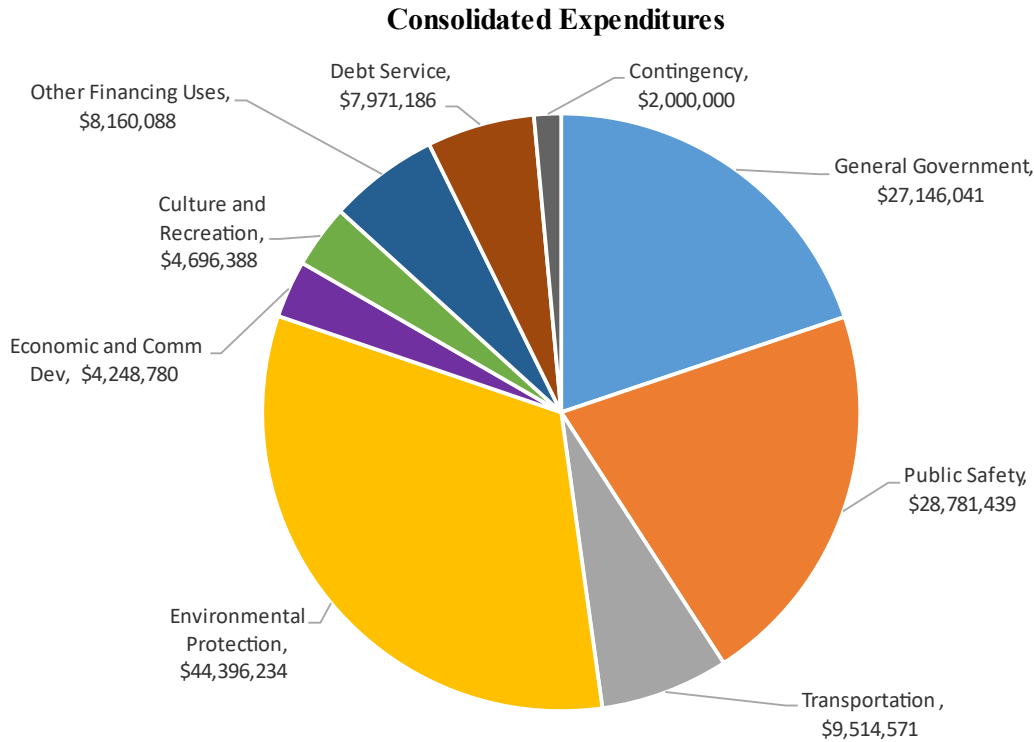


<b>Consolidated Revenues</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Ad Valorem Taxes	34,290,070	34,321,707	37,100,000	8.1%
Other Taxes	22,068,923	20,635,321	23,310,000	13.0%
Unrestricted Intergovernmental	680,548	752,250	690,000	-8.3%
Restricted Intergovernmental	6,704,378	5,896,727	6,350,988	7.7%
Licenses and Permits	4,590	4,500	4,500	0.0%
Sales and Services	48,719,835	46,045,398	49,817,500	8.2%
Investment Earnings	(1,406,554)	187,500	395,000	110.7%
Miscellaneous	3,242,607	993,000	1,681,526	69.3%
Other Financing Sources	112,746,747	17,369,765	17,565,213	1.1%
<b>Revenue Total</b>	<b>227,051,144</b>	<b>126,206,168</b>	<b>136,914,727</b>	<b>8.5%</b>
<b>Per Capita</b>	<b>5,547.98</b>	<b>3,047.94</b>	<b>3,141.83</b>	

# Consolidated Budget Summary



This consolidated expenditure graph and table are broken down by functional area and include expenses in all funds, including the internal service funds (Fleet Maintenance and Insurance) and the Capital Reserve Fund. As was explained on the previous page, insurance and fleet costs are budgeted in each of the departments/divisions in order to better capture the actual cost to provide services. The Fleet Maintenance Fund and Insurance Fund then budget revenues from each of these departments and the expenditures associated with the actual costs to provide these services. This inflates the “General Government” expenditure, but again, omitting these funds from this section would not give the reader a comprehensive view of the City’s finances.



Consolidated Expenditures	2021-2022	2022-2023	2023-2024	Percent Change
	Actual	Budgeted	Budgeted	
General Government	26,313,016	24,095,936	27,146,041	12.7%
Public Safety	27,449,043	28,390,638	28,781,439	1.4%
Transportation	8,173,901	8,675,092	9,514,571	9.7%
Environmental Protection	34,355,117	40,983,833	44,396,234	8.3%
Economic and Community Develop.	6,263,514	4,115,737	4,248,780	3.2%
Culture and Recreation	4,452,096	4,400,488	4,696,388	6.7%
Other Financing Uses	23,005,083	6,218,842	8,160,088	31.2%
Debt Service	4,179,802	7,925,602	7,971,186	0.6%
Contingency	930,000	1,400,000	2,000,000	42.9%
<b>Expenditure Total</b>	<b>135,121,572</b>	<b>126,206,168</b>	<b>136,914,727</b>	<b>8.5%</b>

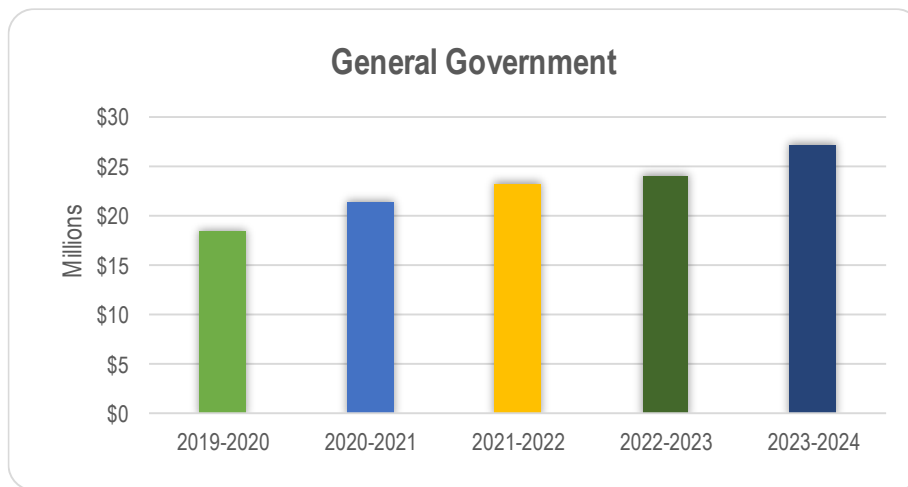
# Consolidated Budget Summary



## Functional Expenditure Trend Summary

While the City of Hickory’s budget consists of approximately 45 individual departments and divisions, each conducts the business of City government as a part of a functional area. For example, the Police Department is part of the functional area known as Public Safety, as is the Fire Department. Both share the common theme of protecting citizens. Grouping activities by these functions (themes), allows the decision-making process to be managed at broader, more comprehensive levels.

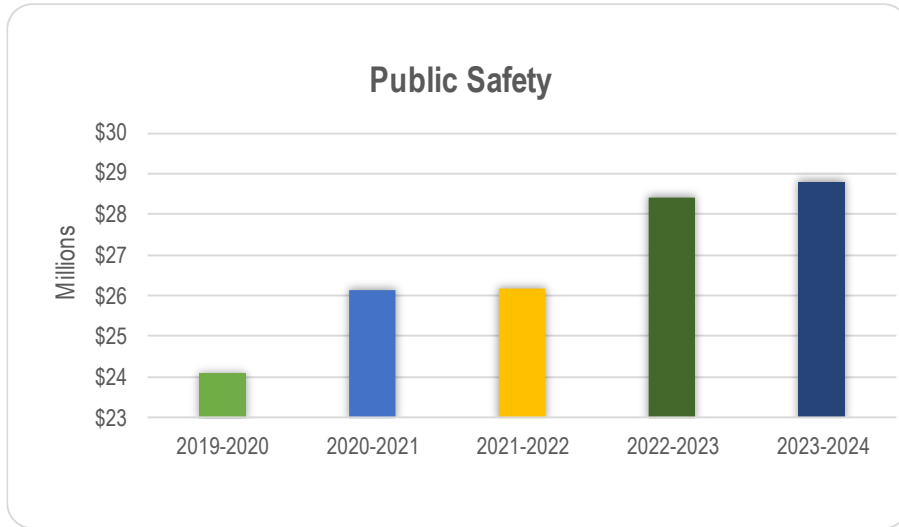
The following is a presentation of the trends for the major functions in the City’s budget. By examining the long-term and short-term progressions of each, the overall dynamics of Hickory’s budget can be better understood. A five-year graph shows the function as it progresses from the FY2019-2020 budget; a table compares the budget expenditure categories for the current budget proposal. The presentation references key departments, which are discussed in depth in either the General Fund, Enterprise Funds, or Other Funds sections.



General Government	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	18,384,078	21,336,524	23,223,468	24,095,936	27,146,041
Dollar Change	1,184,463	2,952,446	1,886,944	872,468	3,050,105
Percent Change	6.9%	16.1%	8.8%	3.8%	12.7%

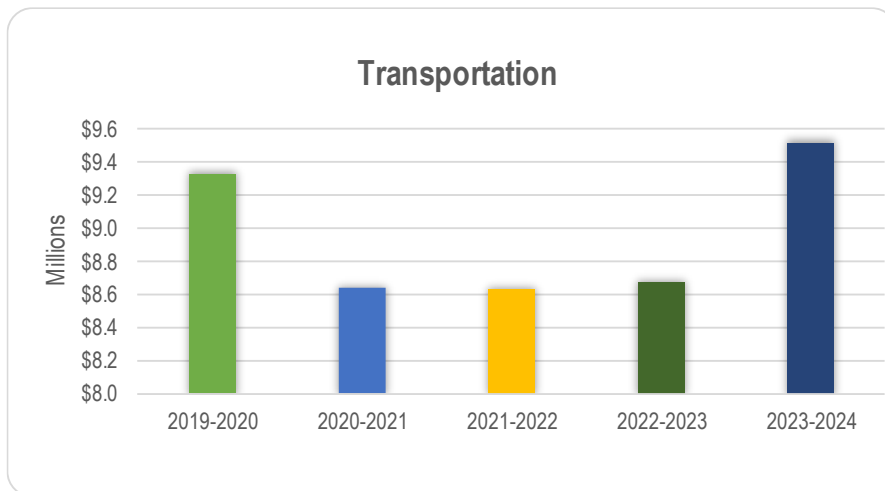
**Departments/Divisions:** Governing Body, City Manager’s Office, Budget Office, Finance, Legal, Risk Management, City Clerk, Information Technology, Human Resources, Communications Office, Building Services, Engineering, Public Buildings/City Hall, District Court, Fleet Maintenance and Landscape Services.

# Consolidated Budget Summary



<b>Public Safety</b>	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	24,087,158	26,151,741	26,177,876	28,390,638	28,781,439
Dollar Change	(549,267)	2,064,583	26,135	2,212,762	390,801
Percent Change	-2.2%	8.6%	0.1%	8.5%	1.4%

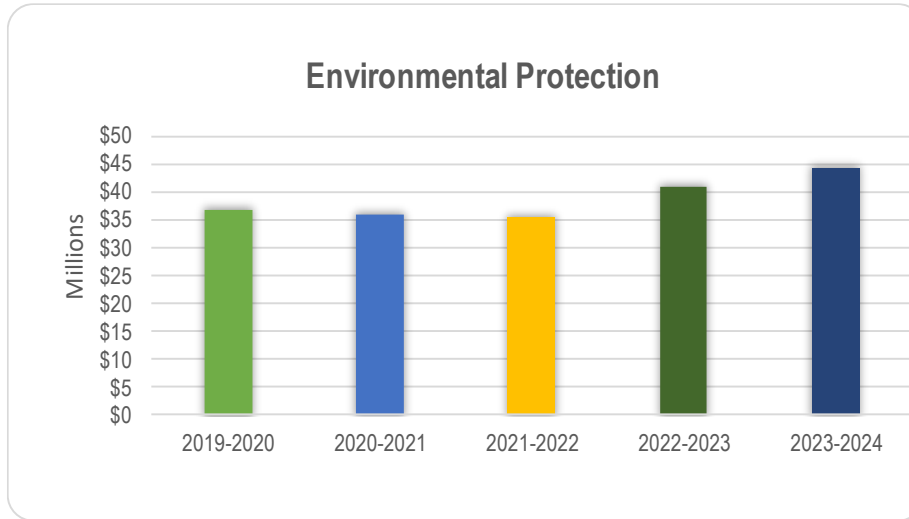
**Departments/Divisions:** Police, Fire and Volunteer Fire Departments



<b>Transportation</b>	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	9,324,221	8,639,098	8,633,072	8,675,092	9,514,571
Dollar Change	297,245	(685,123)	(6,026)	42,020	839,479
Percent Change	3.3%	-7.3%	-0.1%	0.5%	9.7%

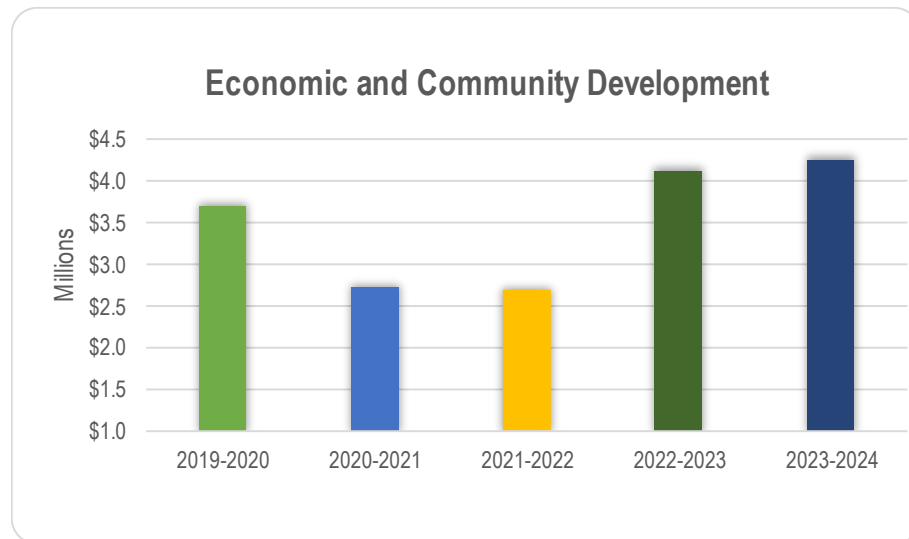
**Departments/Divisions:** Airport, FBO, Street and Traffic

# Consolidated Budget Summary



Environmental Protection	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	36,752,517	35,907,970	35,337,866	40,983,833	44,396,234
Dollar Change	4,574,039	(844,547)	(570,104)	5,645,967	3,412,401
Percent Change	14.2%	-2.3%	-1.6%	16.0%	8.3%

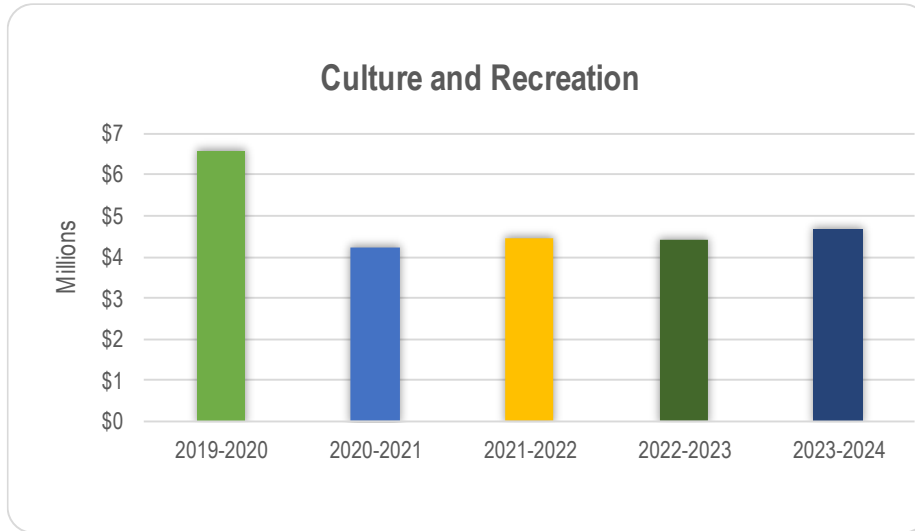
**Departments/Divisions:** Public Utilities (Water and Sewer), Stormwater, Residential Sanitation, Commercial Bulk Services, Recycling and Sludge Composting Facility



Economic/Community Dev.	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	3,691,666	2,732,844	2,698,807	4,115,737	4,248,780
Dollar Change	142	(958,822)	(34,037)	1,416,930	133,043
Percent Change	4.0%	-26.0%	-1.2%	52.5%	3.2%

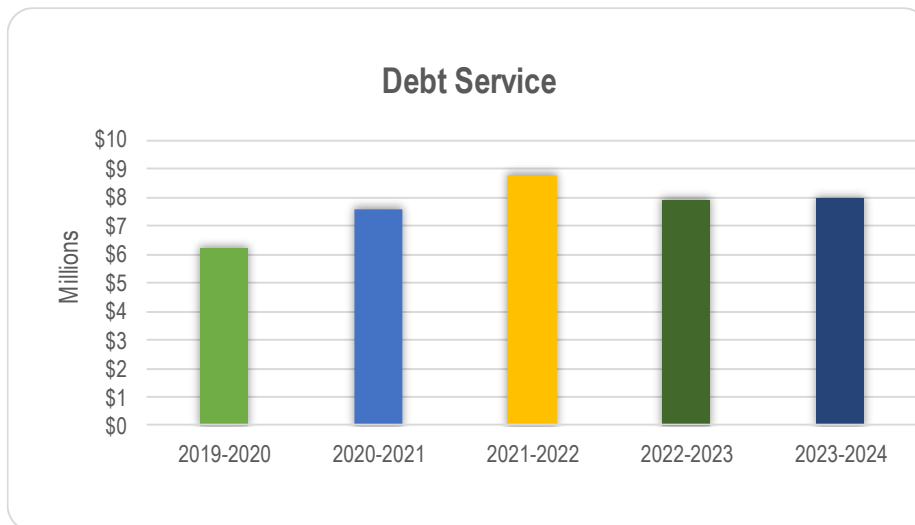
**Departments/Divisions:** Tourism Development Authority, Special Appropriations (General Fund) and Planning

# Consolidated Budget Summary



Culture and Recreation	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	6,558,575	4,245,027	4,448,232	4,400,488	4,696,388
Dollar Change	(54,955)	(2,313,548)	203,205	(47,744)	295,900
Percent Change	-0.8%	-35.3%	4.8%	-1.1%	6.7%

**Departments/Divisions:** Parks and Recreation, Parks Maintenance, L.P. Frans Stadium and Library

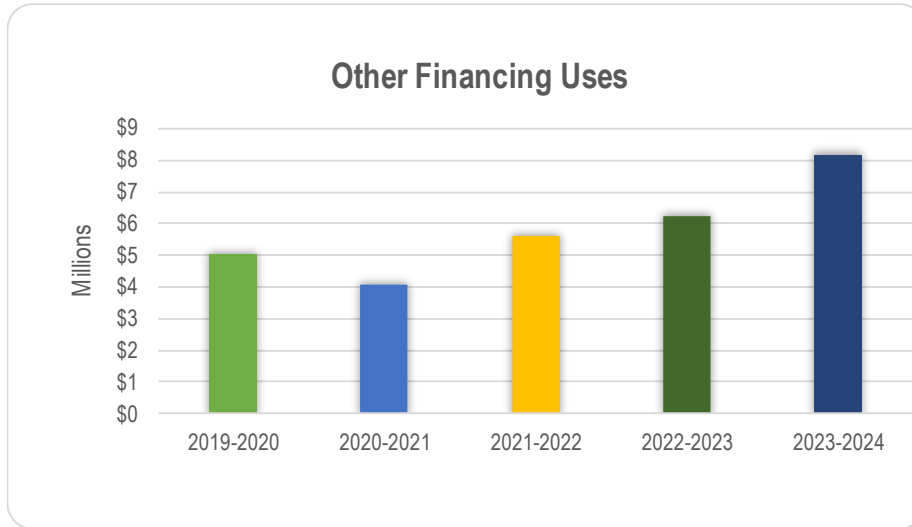


Debt Service	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	6,240,452	7,580,479	8,789,371	7,925,602	7,971,186
Dollar Change	1,622,641	1,340,027	1,208,892	(863,769)	45,584
Percent Change	35.1%	21.5%	15.9%	-9.8%	0.6%

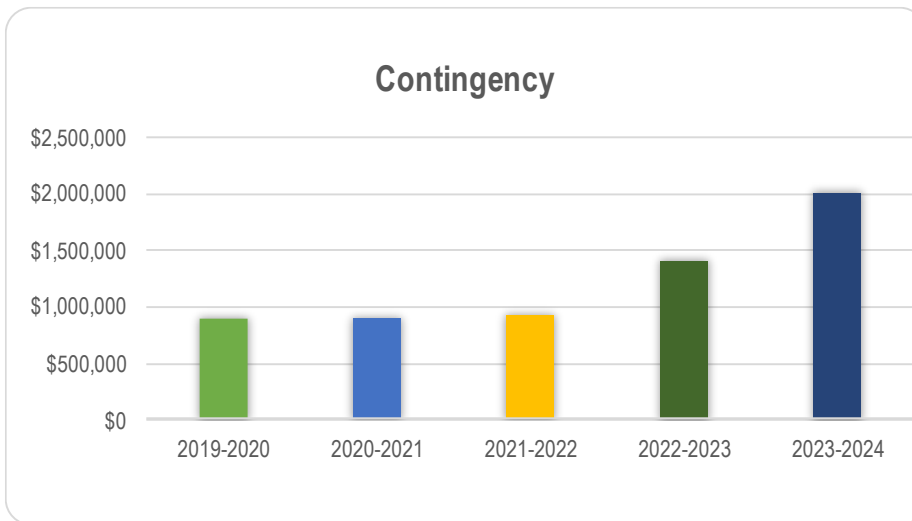
**Funds with Debt:** General Fund, Water and Sewer Fund, and Solid Waste Fund



# Consolidated Budget Summary



Other Financing Uses	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	5,039,922	4,068,596	5,628,141	6,218,842	8,160,088
Dollar Change	(39,749)	(971,326)	1,559,545	590,701	1,941,246
Percent Change	-0.8%	-19.3%	38.3%	10.5%	31.2%



Contingency	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Total Budgeted Amount	900,000	900,000	930,000	1,400,000	2,000,000
Dollar Change	-	-	30,000	470,000	600,000
Percent Change	0.0%	0.0%	3.3%	50.5%	42.9%

**Funds with Contingency:** General Fund, Water and Sewer Fund, Transportation, and Solid Waste

# Consolidated Budget Summary



## Consolidated Fund Balance Discussion

In all City funds at the close of 2021-2022, there was a total of \$62,724,320 in fund balance/unrestricted net position. The Local Government Commission recommends the minimum level of General Fund Balance available for appropriation at 8% of prior years' expenditures. The Hickory City Council has a financial policy striving to maintain a fund balance of 25% of its general operating budget. The reason for this policy is to avoid cash flow interruptions, to generate investment income, to eliminate the need for short-term borrowing, and to have a reserve available in case of sudden emergencies or opportunities.

Going into FY 2023-2024, the City continues to strategically utilize its General Fund Balance to fund various projects and opportunities related to our community's economic growth and development. Along with the ongoing implementation of the Bond Projects, the City has witnessed considerable economic progress over the recent years. A positive result of this has been a steady increase in the City's available General Fund Balance, and we continue to meet and exceed our minimum policy of 25% Unassigned General Fund Balance. The *estimated* Unassigned General Fund Balance as of June 30, 2023 is expected to be approximately 45% of the General Fund budgeted amount as we enter FY 2023-2024. For the upcoming Fiscal Year, the City continues to strike an important balance between the need for emergency reserves plus the regular use of Fund Balance for its ongoing operating and capital needs

For all City of Hickory funds, the fund balance/unrestricted net position trends and totals are as follows:

<b>Fund Balance / Unrestricted Net Position</b>	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
General Fund-Unassigned FB	16,495,086	15,957,039	15,261,159	30,693,871
Capital Reserve Fund-Committed FB	4,925,613	6,888,222	7,934,945	9,992,448
Water and Sewer-Unrestricted Net Position	37,522,822	30,170,676	31,698,044	23,026,305
Sludge-Unrestricted Net Position	663,821	-	1,194,162	-
Stormwater-Unrestricted Net Position	524,234	572,016	593,430	611,396
Solid Waste-Unrestricted Net Position	820,703	85,588	241,465	576,939
Fleet Maint.-Unrestricted Net Position	(1,663,090)	(805,455)	-	(2,938,124)
Airport-Unrestricted Net Position	(969,462)	746,756	103,841	1,106,783
Insurance-Unrestricted Net Position	5,071,066	5,510,197	4,559,809	4,961,967
W&S Capital Reserve Fund - Committed FB	515,103	1,272,362	1,137,465	1,876,008
<b>Fund Totals</b>	<b>63,905,896</b>	<b>60,397,401</b>	<b>62,724,320</b>	<b>69,907,592</b>

# Consolidated Budget Summary



## Staffing Analysis 2023-24

The City has 680 full-time positions for the FY23-24 budget.

- A full-time Planner position was approved for the Planning Department.
- A full-time Lab Technician position was approved to help with succession planning.
- A part-time Records Clerk position was converted to a full-time position.

The labor market has remained tight, with vacant jobs being plentiful and available workers being scarce. The challenge in this labor market is that the City has not only had to compete with the private sector to fill vacancies but also with other local governments. Along with the challenges of the labor market, the City projects that 12 employees will retire by the end of FY22-23.

In an effort to help address our ongoing employment challenges, the City has taken steps in the following areas:

- Recruitment – Sign-on and Referral Bonuses are being continued, and the HR Department has taken a more proactive approach to recruiting.
- Pre-Employment – A tracking system has been implemented to help ensure applications are streamlined, and a goal for getting selected applicants through the pre-employment process has been established.
- Benefits – An extensive evaluation of City Benefits has taken place, and changes are being implemented to help better serve employees and control costs. Also, a new accrual model is being adopted for FY23-24 to encourage and reward employee retention.

### Other Personnel Changes:

**Human Resources:** The full-time Risk Manager position was converted to an HR Coordinator position. The part-time Risk Admin position was converted to a part-time Risk Coordinator position. The full-time HR Generalist position was converted to a full-time HR Admin position. The HR Assistant Director position was converted to an HR Analyst position.

**Library:** A part-time Preschool Outreach position was combined with another part-time Preschool Outreach position to create a full-time Library Tech Literacy Engagement position.

**Police:** Reed Baer was named the new Police Chief. As noted above, a part-time records clerk position was converted to a full-time position.

**Public Works:** The Central Services Supervisor position was reclassified from a grade 14 to a grade 16 to accommodate for the responsibilities of the position and for the level of supervision.

**Public Utilities:** Two Construction Worker positions were converted to create a Construction Operations Coordinator and a Maintenance Operations Coordinator. As noted above, a full-time Lab Tech position was added.

**Planning and Development:** As noted above, a new Planner position was added to help with the increased workload in the Planning Department.

# Consolidated Budget Summary



## Staffing Analysis Chart 2023-24

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Actual 2022-2023	Budgeted 2023-2024
Administration - City Manager's Office	6	6	6	6	6	6
Communications	3	3	3	4	4	4
Budget	1	1	1	1	1	1
Bond Project Manager	1	1	1	0	0	0
Human Resources	6	6	6	6	6	7
Risk	2	2	2	2	2	1
City Clerk	1	1	1	1	1	1
Engineering	6	6	6	6	6	6
Finance	18	18	18	18	18	18
Legal	2	2	2	2	2	2
<b>Public Services</b>						
Building Services	6	6	10	10	10	10
Landscape Services	17	17	36	36	42	42
Central Services	7	7	7	7	7	7
Fleet Maintenance	12	12	12	12	12	12
Information Technology	8	9	9	9	9	9
<b>Public Safety</b>						
Fire	135	137	138	139	139	139
Police	152	152	157	157	157	158
<b>Transportation</b>						
Airport	10	10	10	12	13	13
<b>Public Services</b>						
Streets	43	43	43	43	37	37
Traffic	11	11	11	11	11	11
<b>Environmental Protection</b>						
<b>Public Services</b>						
Sanitation - Commercial	11	11	11	11	11	11
Sanitation - Residential	12	12	12	12	12	12
Stormwater	1	1	1	1	1	1
Public Utilities Administration	11	11	12	13	14	14
Henry Fork Plant	10	10	10	10	10	10
Northeast Plant	11	11	11	11	11	11
Pretreatment and Labs	7	7	7	7	7	8
Collection System (Pump Stations)	16	16	16	16	16	16
Distribution System (Construction)	33	33	33	33	33	33
Water Plant	12	12	12	12	12	12
Claremont	2	2	2	2	2	2
Catawba	3	3	3	3	3	3
Recycling	13	13	13	13	13	13
<b>Economic and Community Development</b>						
Planning	10	10	10	10	11	12
<b>Culture and Recreation</b>						
Library	17	17	17	18	19	19
Parks and Recreation	18	19	19	19	19	19
Maintenance	24	23	0	0	0	0
<b>Total</b>	<b>658</b>	<b>661</b>	<b>668</b>	<b>673</b>	<b>677</b>	<b>680</b>

# About City Services



When we think of Hickory City government, we often think only of the City Hall building at 76 North Center Street. City government, however, is not made of concrete and steel, but the men and women who put out fires, repair potholes, and perform hundreds of other services all across the City. Because the number of services is so vast and involves over 45 City departments and divisions, the sometimes overwhelming search for information leaves many citizens with the same question: "Where do I go to find out about...?"

Because City government never exists in one place at one time, it is impossible to adequately present all of the services provided by City employees. However, thanks to the Internet, we can point the reader to the people who can best answer questions. The following is a short "virtual tour" of City services, which attempts to provide some background about City departments and divisions. You can access City departments directly through the e-mail addresses indicated.

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## **ACTION CENTER**

The Action Center provides a single point of contact for inquiries and service requests from citizens and businesses. The Action Center is the first step to getting answers to questions about City government. Call (828) 323-7400. The Action Center is particularly recommended for those who might have more general questions about City government, or who do not have access to the Internet.

## **AIRPORT ([tclark@hickorync.gov](mailto:tclark@hickorync.gov))**

The Airport Department is responsible for the maintenance and operation of the City's airport according to City policy and Federal Aviation Administration (FAA) regulations. The Airport Director supervises general airport operations, Airport Tower operations and the FBO (Fixed Base Operations). Promotion of the services that are offered at the Hickory Regional Airport is the responsibility of this department. The airport features commercial air service, free parking, a café, a conference room for meetings, and several car rental agencies.

## **BUDGET OFFICE ([jrosales@hickorync.gov](mailto:jrosales@hickorync.gov))**

The Budget Office assists the City Manager's Office in the preparation of the annual budget for adoption by the City Council. The budget is monitored throughout the fiscal year through budget reports, amendments and trend analysis. This office also compiles and reviews departmental performance measures, goals, objectives, and conducts special management studies.

## **CITY CLERK'S OFFICE ([dmiller@hickorync.gov](mailto:dmiller@hickorync.gov))**

The City Clerk's Office is located on the third floor of the Julian G. Whitener Municipal Building. The City Clerk provides information about City Council meetings and minutes, City ordinances, applications for Boards and Commissions, and official City records. The orientation of all boards and commissions, as well as the publicizing of these groups' meetings, is also a role of the City Clerk's Office.

## **CITY COUNCIL (see [www.hickorync.gov](http://www.hickorync.gov) for e-mail addresses)**

The Mayor and six members of the City Council are the elected representatives of City of Hickory residents. The City Council is the legislative and policy-making body of the City and, as such, is charged with making decisions and formulating public policy based on community needs. The Governing Body adopts the annual budget that is designed to allocate available funds as efficiently and effectively as possible in order to ensure that residents receive the highest levels of service at the lowest possible cost. The City Council meets on the first and third Tuesday of each month and holds special planning sessions, as well as an annual Council-Staff Work Session. Communications with the City Council can be directed to the City Manager's Office.

# About City Services



## **CITY MANAGER'S OFFICE ([wwood@hickorync.gov](mailto:wwood@hickorync.gov))**

The City Manager's Office is located on the third floor of the Julian G. Whitener Municipal Building. It is the responsibility of the City Manager's Office to professionally manage all City operations and to execute policy as directed by the City Council and prescribed by the North Carolina General Statutes. The City Manager's Office advises City Council on issues related to municipal operations. In addition to daily interaction with department heads and staff, the City Manager's Office holds monthly functional meetings covering the following areas: Administrative Issues, Economic and Community Development, Environmental Issues, Transportation, Leisure Time Activities, Public Safety, Public Properties, Neighborhoods, and General Staff. In addition, the City Manager's Office plans the annual Council-Staff Work Session and special Council planning sessions during the budget development process.

## **COMMUNICATIONS OFFICE ([dkaminske@hickorync.gov](mailto:dkaminske@hickorync.gov))**

The Communications Office provides citizens, businesses, organizations, visitors and employees with information about Hickory, its goals, projects, public awareness campaigns, programs, and events through various media venues, [www.hickorync.gov](http://www.hickorync.gov), speaking engagements and more. The Communications Office also heads the Brand initiative for the City of Hickory. In addition to coordinating the Neighborhood College, this office conducts special projects, assists all City departments and boards and commissions with their communications needs, and maintains the City's websites.

## **FINANCE ([mmiller@hickorync.gov](mailto:mmiller@hickorync.gov))**

The Accounting and Purchasing Divisions of the Finance Department are located on the third floor of the Julian G. Whitener Municipal Building. The Billing and Collections Divisions are located on the second floor of the Julian G. Whitener Municipal Building. The Finance Department, in accordance with ordinances, handles all City-related financial matters and financial policies enacted by the City Council as well as North Carolina statutes. The Finance Officer manages the City's investment program. The Finance Department also is responsible for the preparation of the Annual Comprehensive Financial Report.

## **FIRE ([mhutchinson@hickorync.gov](mailto:mhutchinson@hickorync.gov))**

Fire Station 1 located at 19 2<sup>nd</sup> Street NE is headquarters for Fire Administration. The Fire Chief's office is located at the headquarters station. Fire Education and Fire Prevention offices are located on the second floor of the Julian G. Whitener Municipal Building. The City of Hickory Fire Department operates out of six community-based locations along with one aircraft fire rescue station located at the Hickory Regional Airport. All fire stations are staffed with full time personnel working a twenty-four shift schedule. The Hickory Fire Prevention Bureau can assist with information on fire code, plan reviews and fire code inspections for all types of occupancy classification. Fire Prevention issues permits for installation of fire alarms, sprinkler systems, other related fire protection systems, storage tank installation and removal, including special events.

## **HUMAN RESOURCES ([mfriar@hickorync.gov](mailto:mfriar@hickorync.gov))**

The Human Resources Department is located on the third floor of the Julian G. Whitener Municipal Building. All employment applications and inquiries are processed in this division. This division also administers the benefits package for City employees and conducts employment searches for department heads and other staff positions.

- **Risk Management ([agardner@hickorync.gov](mailto:agardner@hickorync.gov))** - The Risk Management Division of the Human Resources Department is located on the third floor of the Julian G. Whitener Municipal Building. The Risk Manager assures the safety of all coworkers and also manages City property, insurance procurement and administration, the safety program, and ADA compliance. The Risk Manager chairs the Coworker Safety Committee.

## **INFORMATION TECHNOLOGY ([mwoods@hickorync.gov](mailto:mwoods@hickorync.gov))**

The Information Technology Department is located on the third floor of the Julian G. Whitener Municipal Building. This department operates and installs the City's computer systems and networks, provides technical support and training to City departments.



# About City Services



## **LEGAL ([adula@hickorync.gov](mailto:adula@hickorync.gov))**

The Legal Department is located on the third floor of the Julian G. Whitener Municipal Building and provides in-house legal counsel to City departments. The Legal Department assists staff in answering questions about City ordinances and legal procedures. The Deputy City Attorney provides legal counsel and advice to the City Council, City Manager and City departments.

## **LIBRARY ([sgreene@hickorync.gov](mailto:sgreene@hickorync.gov))**

The City of Hickory operates two libraries, the Patrick Beaver Memorial Library and Ridgeview Library. The Patrick Beaver Memorial Library is a state-of-the-art facility that opened in January 1998. The Ridgeview branch opened in the Spring of 1998. The libraries are committed to providing timely and accurate information for the citizens of the community, enhancing the informational literacy of customers, and stimulating the interest of citizens in reading and learning. The libraries provide audiovisual collections, reference materials, children's collections and access to the internet. The libraries' patrons include residents of Hickory and at least four surrounding counties.

## **OFFICE OF BUSINESS DEVELOPMENT**

- **Community Development / Housing Division ([dleonetti@hickorync.gov](mailto:dleonetti@hickorync.gov))**

The Community Development Division is located within the Planning and Development Department on the second floor of the Julian G. Whitener Municipal Building. The Community Development Staff is available to answer questions concerning housing rehabilitation funds, low- income housing, home ownership/down payment assistance, fair housing and Community Development Block Grants (CDBG) for improvement projects in lower income neighborhoods.

- **Economic Development Division ([bfrazier@hickorync.gov](mailto:bfrazier@hickorync.gov))**

The Economic Development Division is located within the Planning and Development Department on the second floor of the Julian G. Whitener Municipal Building. Marketing the City of Hickory to interested developers outside the area is a key economic development function of this division. The Economic Development Staff is available to answer questions concerning assistance in location of new or expanded commercial and industrial businesses within the City of Hickory.

- **Planning and Development Division ([bfrazier@hickorync.gov](mailto:bfrazier@hickorync.gov))**

The Planning and Development Division is located on the second floor of the Julian G. Whitener Municipal Building. Planning staff is responsible for enforcing zoning, subdivision regulations, property uses, assisting with thoroughfare plans and annexations, managing historic preservation, public art and community appearance, and maintaining watershed regulations. The Permit Assistance Center is housed in the Planning Division. This division also staffs the Hickory Regional Planning Commission and is additionally responsible for staffing and promoting the work of the Historic Preservation Commission, the Public Art Commission and Community Appearance Commission, as well as maintaining the City's historic resources inventory. The Planning and Development Division also coordinates the City of Hickory's transportation systems and assists other departments, including the Airport and Transit departments, with transportation planning, grant applications, and contacts with outside agencies.

## **PARKS, RECREATION AND SPORTS TOURISM ([mseaman@hickorync.gov](mailto:mseaman@hickorync.gov))**

The Parks, Recreation and Sports Tourism Department is located at 1451 8<sup>th</sup> Street Drive NE. The City operates five general and two senior citizen recreation centers, eighteen parks (active and passive) consisting of 428 acres. Athletic league games, special events and instructional programs for youth, adult, and senior groups are provided in large numbers. The recreation centers offer classes in arts and crafts, ceramics and many other activities to all age groups.

## **PERMIT ASSISTANCE CENTER ([bfrazier@hickorync.gov](mailto:bfrazier@hickorync.gov))**

The Permit Assistance Center, a subdivision of the Planning and Development Division within the Office of Business Development, is located on the second floor of City Hall and provides guidance and assistance to property owners and

# About City Services



developers in obtaining development approvals for residential and commercial projects. The PAC also coordinates approval of permits for Special Events throughout the City.

## **POLICE ([rbaer@hickorync.gov](mailto:rbaer@hickorync.gov))**

The Hickory Police Department is located at 347 2<sup>nd</sup> Avenue SW. The administrative offices of the Chief of Police, Patrol Division, Support Services Division, Animal Control Unit, Criminal Investigations Division, and Code Enforcement are housed at this facility. The Hickory Police Department also offers a Victim Assistance Program and many other community education services. The Hickory Police Department uses a community policing approach in its daily work activities.

## **PUBLIC SERVICES DEPARTMENT ([smiller@hickorync.gov](mailto:smiller@hickorync.gov))**

The Public Services Department is located at 1441 9<sup>th</sup> Avenue NE and includes the following divisions and services:

- **Central Services ([wberry@hickorync.gov](mailto:wberry@hickorync.gov))** - This division provides office support to all divisions within Public Services. Customer inquiries, complaints, and service requests regarding Public Services divisions are fielded by this division and forwarded to the proper individuals for prompt response.
- **Landscape and Grounds Services ([smiller@hickorync.gov](mailto:smiller@hickorync.gov))** - This division is responsible for City cemetery maintenance, planting and landscaping of City properties, and maintaining City properties including all park facilities and L.P. Frans Stadium.
- **Fleet Maintenance ([babernathy@hickorync.gov](mailto:babernathy@hickorync.gov))** - This division maintains and repairs City vehicles and equipment.
- **Street ([ckone@hickorync.gov](mailto:ckone@hickorync.gov))** - This division is responsible for curb and gutter installation, sidewalks, driveway entrance construction, pothole repair, and street maintenance (sweeping, cleaning, and right-of-way mowing). This division also handles snow removal, storm drain repairs, and mowing of overgrown lots. Each year the City Council adopts a paving list that identifies all streets to be paved/resurfaced in the upcoming fiscal year. The Street Division assists the Engineering Division in preparation of the list and executes work as directed by Council.
- **Public Utilities ([spennell@hickorync.gov](mailto:spennell@hickorync.gov))** - This division provides safe drinking water to residents of the area and treats wastewater prior to its release into the environment. The Hickory Water Treatment Plant is located at 1560 Old Lenoir Road and has a 32 million gallon per day capacity. The City of Hickory operates two wastewater treatment plants, the Henry Fork Wastewater Treatment Facility (nine million gallons per day capacity) and the Northeast Wastewater Treatment Facility (six million gallons per day capacity). This division also handles questions concerning the availability and repair of water and sewer lines. Water tap connections can be arranged through the Billing and Collections Division of the Finance Department located in the Municipal Building. The Pretreatment/Lab Division provides professional services to the other divisions in the Public Utilities.
- **Sanitation ([aballentine@hickorync.gov](mailto:aballentine@hickorync.gov))** - This division manages routine garbage pickup in addition to several other waste removal services. Regular yard waste, such as leaves, grass clippings, and shrubbery trimmings, are collected curbside weekly on the same day as residential garbage pickup. Additional assistance is available for citizens with disabilities. A special pickup is available on Tuesdays and Thursdays for items such as appliances, furniture, yard waste, and bulky tree debris. Curbside leaf collections occur in the fall, and residents are notified in advance through the local media. Due to the City operating leaf vacuum trucks, the citizens do not need to bag their leaves for collection.
- **Traffic ([ckone@hickorync.gov](mailto:ckone@hickorync.gov))** - All traffic signals within City limits are maintained by this division for the North Carolina Department of Transportation (NCDOT). Traffic signals, traffic markings, and street signs all fall under the responsibility of this division.

# About City Services

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- **Engineering ([ckone@hickorync.gov](mailto:ckone@hickorync.gov))** - The Engineering Division is located on the second floor of the Municipal Building. The City Engineer and staff provide professional engineering and surveying services, transportation planning, and can answer questions related to street paving petitions, curb and gutter petitions, sidewalk petitions, driveway permits, city maps, and physical addresses. This division also prepares long-range plans for street and drainage improvements, and assists other City departments in construction and engineering efforts.

# About City Services



**The following is a telephone listing of City services. To get answers to specific questions, you can call the number directly.**

ACTION CENTER/CUSTOMER SERVICE .....	323-7400
ADDRESS ASSIGNMENT .....	323-7422
AIRPORT .....	323-7408
ANIMAL CONTROL .....	324-2060
BILL INQUIRIES .....	323-7424
BILLING AND COLLECTIONS.....	323-7424
BROKEN WATER OR SEWER LINES .....	323-7427
BUDGET .....	261-2200
BUILDING CODE REQUIREMENTS .....	465-8399
BUILDING PERMITS .....	465-8399
BURNING PERMITS .....	323-7420
BUS SYSTEM – Greenway public transportation .....	464-9444
BUSINESS LICENSES .....	323-7424
CEMETERY OFFICE.....	323-7500
CITY CLERK .....	323-7409
CITY MANAGER .....	323-7412
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM .....	323-7414
CURB AND GUTTER PETITIONS .....	323-7416
CURB CUTS .....	323-7500
DEVELOPMENT ASSISTANCE CENTER .....	323-7410
DOWNPAYMENT ASSISTANCE PROGRAM .....	323-7414
DRIVEWAY PERMITS .....	323-7416
ECONOMIC DEVELOPMENT .....	323-7422
FENCING REQUIREMENTS .....	323-7410
FINANCE .....	323-7417
FIRE DEPARTMENT - NON-EMERGENCY CALLS FOR SERVICE .....	323-7420
- EMERGENCY .....	911
- LIFE SAFETY EDUCATION .....	323-7521
- PREVENTION .....	323-7522
- PUBLIC INFORMATION .....	323-7521
- TRAINING DIVISION .....	323-7505
GARBAGE, TRASH, RECYCLING COLLECTION .....	323-7500
GENERAL CITY INFORMATION .....	323-7400
GEOGRAPHIC INFORMATION SYSTEM (GIS).....	261-2215
HISTORIC PROPERTIES.....	323-7422
HOUSING REHABILITATION LOANS .....	323-7414
HUMAN RESOURCES .....	323-7421
JUNK CARS.....	261-2649
LANDFILL - CATAWBA COUNTY.....	704-462-1348
LIBRARY – PATRICK BEAVER MEMORIAL LIBRARY .....	304-0500
RIDGEVIEW PUBLIC LIBRARY .....	345-6037
LOTS/YARDS THAT NEED MOWING.....	261-2649

# About City Services

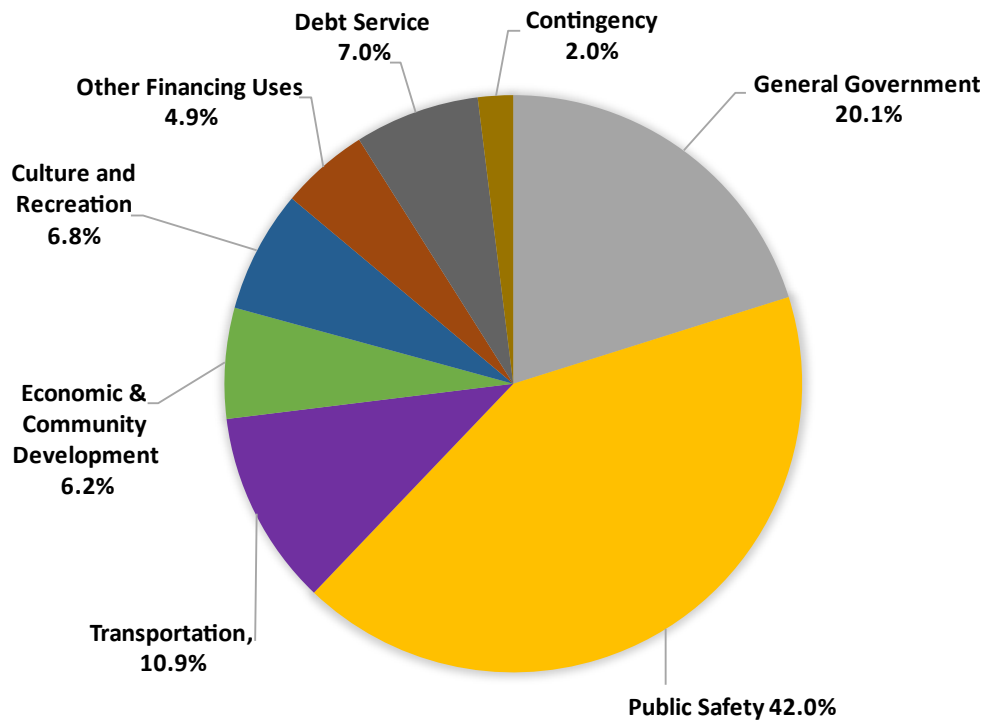


MAPS .....	323-7416
MINIMUM HOUSING CODE .....	323-7410
NEIGHBORHOOD PLANNING .....	261-2206
NEIGHBORHOOD WATCH PROGRAM .....	324-2060
NOISE.....	261-2649
OCCUPANCY PERMITS .....	465-8399 or 323-7410
PARKS AND RECREATION .....	322-7046
POLICE - NON-EMERGENCY CALLS FOR SERVICE .....	328-5551
- EMERGENCY .....	911
- ADMINISTRATIVE .....	324-2060
- ANIMAL CONTROL .....	324-2060
- CHIEF OF POLICE .....	261-2600
- CRIME PREVENTION .....	261-2644
- CRIMINAL INVESTIGATIONS .....	261-2606
- PATROL DIVISION.....	324-2060
- RECORDS UNIT .....	324-2060
- SUPPORT SERVICES .....	261-2604
PUBLIC HOUSING .....	328-5373
PUBLIC INFORMATION .....	261-2222
PUBLIC SERVICES ADMINISTRATION .....	323-7500
PUBLIC SERVICES EMERGENCY NIGHT NUMBER – (HICKORY POLICE DEPARTMENT).....	328-5551
RECYCLING .....	323-7500
REZONING MATTERS .....	323-7422
SEWER TAPS AND BILLS .....	323-7424
SETBACK REQUIREMENTS .....	323-7410
SUBDIVISION REGULATIONS.....	323-7422
SIGN REQUIREMENTS .....	323-7410
STORM DRAIN MAINTENANCE.....	323-7500
STREETLIGHTS (DUKE ENERGY).....	800-769-3766
STREET PAVING PETITIONS.....	323-7416
STREET RESURFACING .....	323-7500
WATER AND SEWER TAP FEES .....	323-7424
TAXES.....	323-7417
THOROUGHFARE PLAN .....	323-7422
TRAFFIC.....	323-7500
VOTING - CATAWBA COUNTY BOARD OF ELECTIONS .....	464-2424
WATER AND SEWER LINE CONSTRUCTION .....	323-7427
WATER AND SEWER LINE MAINTENANCE .....	323-7427
WATER METER READINGS .....	323-7424
WATER TAPS AND BILLS .....	323-7424
WATERSHED REQUIREMENTS .....	323-7422
ZONING .....	323-7422

# General Fund

The General Fund accounts for all financial resources not restricted to specific purposes or otherwise required to be accounted for in another fund. The following functional areas are included in the General Fund: General Government, Public Safety, Transportation, Economic and Community Development, Culture and Recreation, Other Financing Uses, Debt Service, and Contingency.

## GENERAL FUND EXPENDITURES BY FUNCTIONAL AREA



# General Fund

<b>General Fund Revenue by Category</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Ad Valorem Taxes	33,548,000	34,321,707	37,100,000	8.1%
Other Taxes	18,178,727	20,605,321	23,280,000	13.0%
Unrestricted Intergovernmental	675,000	752,250	690,000	-8.3%
Restricted Intergovernmental	2,265,901	2,591,725	2,752,463	6.2%
Licenses and Permits	4,575	4,500	4,500	0.0%
Sales and Services	1,193,227	1,251,607	1,855,080	48.2%
Investment Earnings	100,000	100,000	250,000	150.0%
Miscellaneous	322,000	381,000	381,000	0.0%
Other Financing Sources	2,572,085	3,133,325	2,251,232	-28.2%
<b>Revenue Total</b>	<b>58,859,515</b>	<b>63,141,435</b>	<b>68,564,275</b>	<b>8.6%</b>
<b>Per Capita</b>	<b>1,421.49</b>	<b>1,448.93</b>	<b>1,575.03</b>	<b>8.7%</b>
<b>General Fund Expenditure by Category</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	36,423,639	37,887,978	40,772,507	7.6%
Operations	13,755,823	14,952,684	15,975,644	6.8%
Capital	4,011,151	5,516,808	4,850,208	-12.1%
Contingency	700,000	1,000,000	1,350,000	35.0%
Board / Agency Funding	915,342	1,211,462	1,180,915	-2.5%
Debt Service	4,628,400	4,192,361	4,793,359	14.3%
Interfund Transfers	1,990,107	2,010,778	3,389,227	68.6%
Pro Rata Reimbursement	(3,564,947)	(3,630,636)	(3,747,585)	3.2%
<b>Expenditure Total</b>	<b>58,859,515</b>	<b>63,141,435</b>	<b>68,564,275</b>	<b>8.6%</b>
<b>Per Capita</b>	<b>1,421.49</b>	<b>1,448.93</b>	<b>1,575.03</b>	<b>8.7%</b>

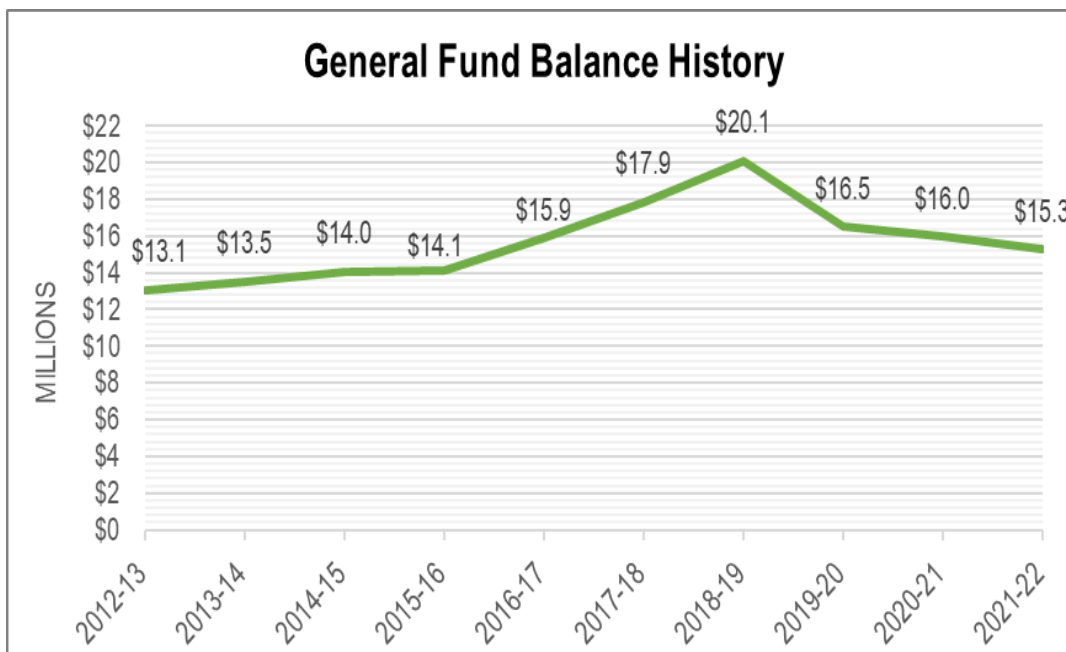
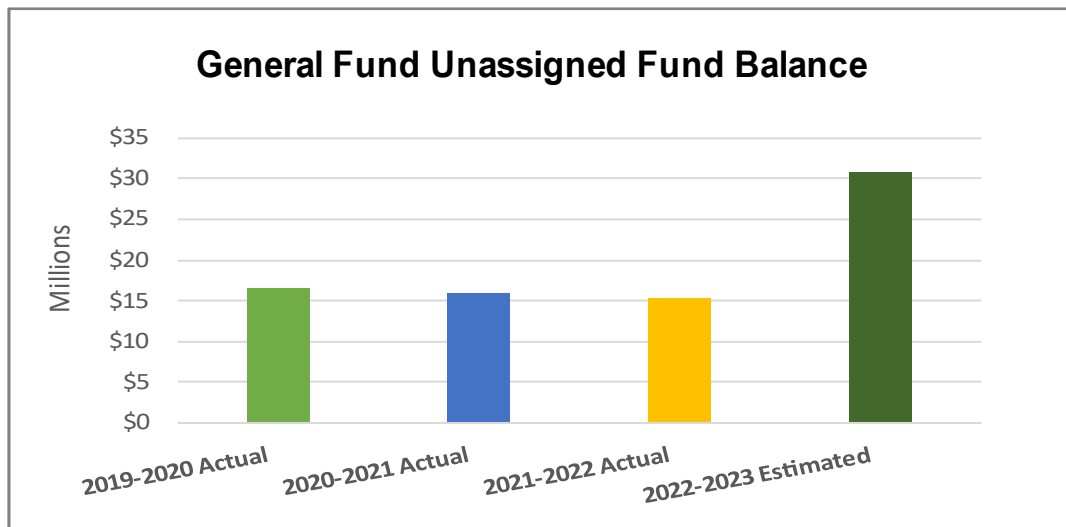


# General Fund

## General Fund Balance

The unassigned General Fund Balance totaled \$15,261,159 on June 30, 2022. Going into FY 2023-2024, the unassigned General Fund Balance is expected to be \$30,693,871.

Unassigned Fund Balance	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
General Fund	16,495,086	15,957,039	15,261,159	30,693,871
Dollar Change	(3,621,815)	(538,047)	(695,880)	15,432,712
Percent Change	-18.0%	-3.3%	-4.4%	101.1%



Additional information about the City Council may be obtained by calling  
The City Manager's Office at 828.323.7412

## Functional Area: General Government

### Mission Statement

To adopt ordinances, rules and regulations as may be necessary or appropriate to protect the health, life or property, or to preserve or promote the comfort, convenience, security, better government, or general welfare of the City and its inhabitants.

### 2022/2023 Accomplishments

- Adopted City Council's Priorities and Action Plan and a financial policy for the ensuing fiscal year.
- Continue to support the recommendations from Hickory's master plans and initiatives in the areas of Environment, Culture and Recreation, Transportation, Economic Development, Public Safety, Public Properties, Administration, and Fiscal Policy.
- Participated in extended sessions including the Annual Council Staff Work Session as well as another Mini-Session during the same fiscal year.

### 2023/2024 Goals and Objectives

- **Goal:** Grow current and new economic development opportunities for the City.
  - **Objective:** Market and promote product development and economic growth, and repurpose redevelopment with various programs and incentives.
- **Goal:** Continue to enhance special events and programs within the City.
  - **Objective:** Promote and partner with the community and various organizations with City branded events.
- **Goal:** Engage the community with more involvement opportunities and promote the City.
  - **Objective:** Support community partnerships and community donors to specific projects in public spaces.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of Public Hearings	192	197	203	198
# of City Council Meetings	24	24	24	24
<b>Efficiency</b>				
Unassigned Fund Balance as % of General Fund Budget	27.3%	26%	27%	28%
<b>Effectiveness</b>				
# of years with no increase in property tax	2	0	1	4

# Hickory City Council



The members of the City Council are the elected representatives of the City of Hickory. The City Council is the legislative and policy-making body of the City, and as such, is charged with making decisions and formulating public policy based on community needs. The City Council adopts an annual budget that is designed to allocate available funds as efficiently and effectively as possible in order to ensure that residents receive the highest levels of service at the lowest possible cost. The City Council meets on the first and third Tuesdays of each month and holds special planning sessions, as well as an annual Council-Staff Planning Session. Communications with the City Council can be directed to the City Manager's Office.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	501,033	515,870	585,360	13.5%
Operations	138,932	172,671	224,417	30.0%
Capital	-	-	6,500	100.0%
Pro Rata Reimbursement	(208,112)	(212,274)	(216,520)	2.0%
<b>Expenditure Total</b>	<b>\$ 431,853</b>	<b>\$ 476,267</b>	<b>\$ 599,757</b>	<b>25.9%</b>
<b>Per Capita</b>	<b>\$ 10.43</b>	<b>\$ 10.93</b>	<b>\$ 13.78</b>	<b>26.1%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	431,853	476,267	599,757	25.9%
<b>Revenue Total</b>	<b>\$ 431,853</b>	<b>\$ 476,267</b>	<b>\$ 599,757</b>	<b>25.9%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Part Time	7	7	7	0.0%
<b>Total</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>0.0%</b>

Additional information about the City Manager's office may be obtained by calling Warren Wood, City Manager, at 828.323.7412 or [wwood@hickorync.gov](mailto:wwood@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To conduct the overall administration of the City as prescribed by the North Carolina General Statutes. As administrative head of the City Government, the City Manager coordinates all city activities in accordance with the adopted City Council Goals and Objectives and carries out all policies and actions of the City Council.

### 2022/2023 Accomplishments

- Managed the implementation of the City Council's Priorities and Action Plan.
- Coordinated all activities associated with attracting and retaining jobs and people, economic growth and transportation, quality of life and natural environment, operational excellence, vision and leadership and communication and marketing.
- Continued pursuit of mutually beneficial projects with the Hickory Metro local governments.

### 2023/2024 Goals and Objectives

- **Goal:** Implement City Council's Priorities and Action Plan through effective and efficient operation of City Services.
  - **Objective:** Oversee adoption and implementation of the City's budget in compliance with the Local Government Budget and Fiscal Control Act.
  - **Objective:** Continue working with staff, City boards, commissions, and task forces to implement priorities and action plan.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of inquiries/concerns to the City Manager's Office per year	28	36	32	25
# of community presentations and speaking engagement by the City Manager per quarter	6	5	6	7
<b>Efficiency</b>				
% of presentations/speaking engagements per quarter	100%	100%	100%	100%
<b>Effectiveness</b>				
% of inquiries/concerns responded to / actioned within 3 business days per quarter	90%	90%	90%	90%

# City Manager's Office



The City Manager's Office is located on the third floor of the Julian G. Whitener Municipal Building. It is the responsibility of the City Manager's Office to professionally manage all City operations and to execute policy as directed by the City Council and prescribed by the North Carolina General Statutes. The City Manager's Office advises City Council on issues related to municipal operations. In addition to daily interaction with department heads and staff, the City Manager's Office holds monthly functional meetings covering the following areas: Administrative Issues, Economic and Community Development, Environmental Issues, Transportation, Leisure Time Activities, Public Safety, Public Properties, Neighborhoods, and General Staff. In addition, the City Manager's Office plans the annual Council-Staff Work Session and special Council planning sessions during the budget development process.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	1,139,272	1,086,655	1,132,965	4.3%
Operations	222,766	253,237	290,687	14.8%
Capital	6,140	3,750	-	-100.0%
Pro Rata Reimbursement	(220,142)	(172,270)	(229,036)	33.0%
<b>Expenditure Total</b>	<b>\$ 1,148,036</b>	<b>\$ 1,171,372</b>	<b>\$ 1,194,616</b>	<b>2.0%</b>
<b>Per Capita</b>	<b>\$ 27.73</b>	<b>\$ 26.88</b>	<b>\$ 27.44</b>	<b>2.1%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	1,148,036	1,171,372	1,194,616	2.0%
<b>Revenue Total</b>	<b>\$ 1,148,036</b>	<b>\$ 1,171,372</b>	<b>\$ 1,194,616</b>	<b>2.0%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Part Time	-	-	1	100.0%
Seasonal	1	1	1	0.0%
<b>Total</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>14.3%</b>

# Communications



Additional information about the Office of Communication may be obtained by calling Dana Kaminske, Communication and Marketing Manager, at 828.261.2289 or [dkaminske@hickorync.gov](mailto:dkaminske@hickorync.gov)

## Functional Area: General Government

### Mission Statement

The Office of Communications provides information to citizens, businesses, and organizations about the City’s day to day activities, as well as projects, events, and accomplishments. Information is posted on [www.HickoryNC.gov](http://www.HickoryNC.gov) and distributed to the public through media releases, e-newsletters, City Snippets, social media, videos, and various other outlets. This office oversees City websites, including MYHKY.com, and “Life. Well Crafted.” brand activities/events and partnerships.

### 2022/2023 Accomplishments

- Redesigned [www.HickoryNC.gov](http://www.HickoryNC.gov) for better user ability and enhanced visual appeal.
- Continued public information to citizens about bond project updates and City development via increasing social media reach, event notifications, [www.HickoryNC.gov](http://www.HickoryNC.gov) website, and through the use of videos about Hickory.
- Marketed and measured [www.MyHKY.com](http://www.MyHKY.com) virtual tour of Hickory to external markets to recruit people to live, work, and visit.

### 2023/2024 Goals and Objectives

- **Goal:** Bring awareness to the City of Hickory as a viable option for living, working, and visiting through [www.MyHKY.com](http://www.MyHKY.com).
  - **Objective:** Increase the overall impressions and clicks-throughs with marketing campaigns to external audiences across the United States and to local HR and business recruiters and developers.
- **Goal:** Drive traffic to the Crafting Hickory section of [www.HickoryNC.gov](http://www.HickoryNC.gov) to bring additional awareness to the projects.
  - **Objective:** Showcase all project updates through social media and e-newsletter links to that site.
- **Goal:** Drive traffic to [www.HickoryWellCrafted.com](http://www.HickoryWellCrafted.com) page to increase awareness to the City’s overall marketing messages, as well as the Doers and Makers section for recruitment and quality of living messages to the public.
  - **Objective:** Showcase Hickory’s marketing and branding messages on [www.HickoryWellCrafted.com](http://www.HickoryWellCrafted.com) with highlights of Doers and Makers, Hickory’s Trending, Hickory videos, partnerships, presentations, and [www.HickoryEventsCalendar.com](http://www.HickoryEventsCalendar.com)

Performance Measures	2021-2022 Actual	2022-2023 Goal	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of Facebook “Followers” (annually)	18,056	20,693	20,135	22,148
# of HickoryNC.gov unique visitors (annually)	311,000	320,000	332,848	350,000
<b>Efficiency</b>				
% increase of “Facebook Followers” (annually)	19.4%	15%	11.5%	10%
# of pages viewed per user on HickoryNC.gov (annually)	2.04	2.10	1.04	1.50
<b>Effectiveness</b>				
# of people viewing the MyHKY.com page	5,656 Avg per qtr	3,424 Avg per qtr	22,560 total users	25,000 total users

# Communications



The Communications Office provides citizens, businesses, organizations, visitors and employees with information about Hickory, its goals, projects, public awareness campaigns, programs, and events through various media venues, [www.hickorync.gov](http://www.hickorync.gov), speaking engagements and more. The Communications Office also heads the Brand initiative for the City of Hickory. In addition to coordinating the Neighborhood College, this office conducts special projects, assists all City departments and boards and commissions with their communication needs, and maintains the City's websites.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	348,141	343,280	363,609	5.9%
Operations	46,609	45,157	43,026	-4.7%
Capital	2,938	10,800	3,700	-65.7%
Pro Rata Reimbursement	(47,017)	(47,957)	(48,916)	2.0%
<b>Expenditure Total</b>	<b>\$ 350,671</b>	<b>\$ 351,280</b>	<b>\$ 361,419</b>	<b>2.9%</b>
<b>Per Capita</b>	<b>\$ 8.47</b>	<b>\$ 8.06</b>	<b>\$ 8.30</b>	<b>3.0%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	350,671	351,280	361,419	2.9%
<b>Revenue Total</b>	<b>\$ 350,671</b>	<b>\$ 351,280</b>	<b>\$ 361,419</b>	<b>2.9%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	4	4	4	0.0%
Part Time/Seasonal	1	1	-	-100.0%
<b>Total</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>-20.0%</b>



# Risk Management



Additional information about the Risk Management Division may be obtained by calling Mitch Friar, Risk Manager, at 828.323.7442 or [mfriar@hickorync.gov](mailto:mfriar@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To minimize local government risk by administering comprehensive and proactive, workers compensation, insurance, safety, education and ADA programs that are in compliance with local, state and federal laws and regulations.

### 2022/2023 Accomplishments

- Reduced OSHA Recordable Incidents by 40% from the previous year.
- Recovered over \$140,000 in damages to city property.
- Transitioned the Workers' Comp TPA to another provider.

### 2023/2024 Goals and Objectives

- **Goal:** Increase worksite inspections.
  - **Objective:** The purpose of this is to ensure employees continue to follow safe work practices.
- **Goal:** Reduce vehicle accidents.
  - **Objective:** The purpose is to ensure both employee and public safety.
- **Goal:** Begin auditing the City's Schedule of Values.
  - **Objective:** The purpose is to ensure the City's Assets are properly identified and correctly reported to the insurance carriers.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work load</b>				
# of recordable workers comp. claims	46	53	30	25
<b>Efficiency</b>				
# of safety training offered to City departments by the Risk Division	New Measure	5	10	12
<b>Effectiveness</b>				
Cost of workers comp. claims	\$573,000	660,348.39	\$630,000	\$650,000
# of worksite inspections and % of worksite inspections in full safety compliance	20/97%	10/98%	12/98%	15/98%

# Risk Management

The Risk Management Division is located on the third floor of the Julian G. Whitener Municipal Building. The Risk Manager assures the safety of all coworkers and also manages City property, insurance procurement and administration, the safety program, and ADA compliance. The Risk Manager chairs the Coworker Safety Committee.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	139,155	160,888	85,666	-46.8%
Operations	18,070	129,404	131,805	1.9%
Capital	2,586	-	-	0.0%
Pro Rata Reimbursement	(51,123)	(52,145)	(53,188)	2.0%
<b>Expenditure Total</b>	<b>\$ 108,688</b>	<b>\$ 238,147</b>	<b>\$ 164,283</b>	<b>-31.0%</b>
<b>Per Capita</b>	<b>\$ 2.62</b>	<b>\$ 5.46</b>	<b>\$ 3.77</b>	<b>-30.9%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Miscellaneous	230,055	125,000	125,000	0.0%
General Fund	(121,367)	113,147	39,283	-65.3%
<b>Revenue Total</b>	<b>\$ 108,688</b>	<b>\$ 238,147</b>	<b>\$ 164,283</b>	<b>-31.0%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	2	2	1	-50.0%
Part Time	1	1	1	0.0%
Seasonal	-	-	-	0.0%
<b>Total</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>-33.3%</b>

Additional information about the Budget Office may be obtained by calling Johnathan Rosales, Budget Analyst, at 828.261.2200 or [jrosales@hickorync.gov](mailto:jrosales@hickorync.gov)

## Functional Area: General Government

### Mission Statement

Efficiently and effectively develop, implement, and administer a balanced budget that clearly communicates City goals, objectives and priorities. Ensure that the budget document includes valid and reliable performance measures and quality management principles.

### 2022/2023 Accomplishments

- Earned the Government Finance Officers Association Distinguished Budget Presentation Award for fiscal year beginning July 1, 2021.
- Processed budget amendments and transfers in a timely manner.
- Coordinated and managed the City of Hickory's data collection for the UNC School of Government NCPMP (North Carolina Performance Measurement Project).
- Participated in hosting a Lead for North Carolina Fellow from the UNC School of Government.

### 2023/2024 Goals and Objectives

- **Goal:** Earn the Government Finance Officers Association Distinguished Budget Presentation Award.
  - **Objective:** Continue to create a budget document that serves as a policy document, financial plan, operations guide, and communications policy.
- **Goal:** Participate in the North Carolina Performance Measurement Project.
  - **Objective:** Meet all data collection deadlines as specified by the UNC School of Government.
- **Goal:** Evaluate the current budget process and develop an efficient method for producing the document.
  - **Objective:** Streamline the budget development process through continuous feedback from internal/external customers and comparison to other units.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of individual budget amendments/ transfers processed	250	210	246	250
<b>Efficiency</b>				
% of budget amendments submitted to Budget that require follow up with initiating departments	1%	1%	1%	1%
% of budget amendments sent to City Clerk's Office without error	100%	96%	95%	100%
<b>Effectiveness</b>				
Average Response Rate - Annual Survey (Scale: 1-5)	n/a	n/a	n/a	n/a

# Budget Office



The Budget Office assists the City Manager's Office in the preparation of the annual budget for adoption by the City Council. The budget is monitored throughout the fiscal year through budget reports, amendments and trend analysis. This office also compiles and reviews departmental performance measures, goals, objectives, and conducts special management studies.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	68,610	68,748	79,469	15.6%
Operations	23,955	60,864	62,540	2.8%
Capital	2,576	1,500	-	-100.0%
Pro Rata Reimbursement	(76,043)	(77,565)	(79,115)	2.0%
<b>Expenditure Total</b>	<b>\$ 19,098</b>	<b>\$ 53,547</b>	<b>\$ 62,894</b>	<b>17.5%</b>
<b>Per Capita</b>	<b>\$ 0.46</b>	<b>\$ 1.23</b>	<b>\$ 1.44</b>	<b>17.6%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	19,098	53,547	62,894	17.5%
<b>Revenue Total</b>	<b>\$ 19,098</b>	<b>\$ 53,547</b>	<b>\$ 62,894</b>	<b>17.5%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	1	1	1	0.0%
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0.0%</b>

# Human Resources



Additional Information about the Human Resources Department may be obtained by calling Mitch Friar, Interim Human Resources Director, at 828.323.7421 or [mfriar@hickorync.gov](mailto:mfriar@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To develop and support effective personnel systems which enable departments to recruit, select, and maintain a workforce committed to the City's quality principles at comparatively appropriate staffing levels.

### 2022/2023 Accomplishments

- Started new initiatives in the City's recruiting for employment.
- Started process that tracks and speeds up the pre-employment screening process.
- Transitioned to a new insurance TPA to help control the rising cost of health insurance.

### 2023/2024 Goals and Objectives

- **Goal:** Transition the City's Health Clinic so that it can provide more services to employees.
  - **Objective:** The purpose of this is to better meet the needs of employees and help lower insurance costs.
- **Goal:** Establish a standard from the time an application is received to onboarding.
  - **Objective:** The purpose of this is to reduce the wait time for applicants along with providing better support to the current workforce.
- **Goal:** Establish a significant recruiting pipeline to the area High Schools.
  - **Objective:** The purpose is to educate and help high school graduates navigate to a career in public service.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Number of Applications Received	2,483	2313	2325	2400
<b>Efficiency</b>				
Percent of wellness program participants with four or more high-risk factors who reduced at least one of their high risks.	100%	N/A	N/A	N/A
Percent of wellness program participants who improved one of their high-risk factors	27.5%	14%	5%	14.8
Turnover rate (by fiscal year)	13.3%	17.9	13.2	14.8
<b>Effectiveness</b>				
New Hire Retention Rate	78.5%	97.1	89.4	92

# Human Resources



The Human Resources Department is located on the third floor of the Julian G. Whitener Municipal Building. All employment applications and inquiries are processed in this division. This division also administers the benefits package for City employees and conducts employment searches for department heads and other staff positions.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	607,418	525,431	540,921	2.9%
Operations	92,631	109,594	118,914	8.5%
Capital	4,047	5,300	5,000	-5.7%
Pro Rata Reimbursement	(168,893)	(172,270)	(175,715)	2.0%
<b>Expenditure Total</b>	<b>\$ 535,203</b>	<b>\$ 468,055</b>	<b>\$ 489,120</b>	<b>4.5%</b>
<b>Per Capita</b>	<b>\$ 12.93</b>	<b>\$ 10.74</b>	<b>\$ 11.24</b>	<b>4.6%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	535,203	468,055	489,120	4.5%
<b>Revenue Total</b>	<b>\$ 535,203</b>	<b>\$ 468,055</b>	<b>\$ 489,120</b>	<b>4.5%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	6	6	7	16.7%
Seasonal	-	-	1	100.0%
<b>Total</b>	<b>6</b>	<b>6</b>	<b>8</b>	<b>33.3%</b>

# Finance Department



Additional information about the Finance Department may be obtained by calling Melissa Miller, Finance Officer, at 828.323.7545 or [mmiller@hickorync.gov](mailto:mmiller@hickorync.gov)

## Functional Area: General Government

### Mission Statement

The mission of the Finance Department is to administer and provide fiscally responsible control and guidance for all financial matters of the City while complying with all applicable City, State, and Federal mandates.

### 2022/2023 Accomplishments

- Created the City's first edition of the Popular Annual Financial Report (PAFR) and submitted to the Government Finance Officers Association (GFOA) award program.
- Designed a succession plan for the Billing and Collections divisions due to retirements of long-term staff.
- Submitted the 2022 Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting program for the 27<sup>th</sup> consecutive year.

### 2023/2024 Goals and Objectives

- **Goal:** Complete phase one Financials of the Tyler Technologies financial software program conversion.
  - **Objective:** Implement Financials module as of July 2023.
- **Goal:** Provide accurate financial information to the citizens of Hickory.
  - **Objective:** Prepare the 2023 Annual Comprehensive Financial Report (ACFR) and submit to GFOA for the Certificate of Achievement Award.
- **Goal:** Complete phase two Utility Billing of the Tyler Technologies financial software program conversion.
  - **Objective:** Implement Utility Billing module as of April 2024.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
% of Water/Sewer accounts collected	98.4%	98.4%	97.8%	97.0%
# of days required to process a new vendor application	1	1	1	1
Utility bills processed per Billing employee	9,396	9,576	9,676	9,500
<b>Efficiency</b>				
Financial Reports issued within 5 working days of the end of the month.	83.3%	66.7%	66.7%	83.3%
<b>Effectiveness</b>				
Average Response Rate-Annual Survey (1-5)	4.65	4.65	4.50	4.50



# Finance Department



The Accounting and Purchasing Divisions of the Finance Department are located on the third floor of the Julian G. Whitener Municipal Building. The Billing and Collections Divisions are located on the second floor of the Julian G. Whitener Municipal Building. The Finance Department, in accordance with ordinances, handles all City-related financial matters and financial policies enacted by the City Council, as well as North Carolina statutes. The Finance Officer manages the City's investment program. The Finance Department also is responsible for the preparation of the Comprehensive Annual Financial Report.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	1,091,366	1,110,500	1,321,508	19.0%
Operations	458,785	451,346	494,687	9.6%
Capital	13,341	7,500	14,300	90.7%
Pro Rata Reimbursement	(1,484,466)	(1,516,788)	(1,585,650)	-4.5%
<b>Expenditure Total</b>	\$ 79,026	\$ 52,558	\$ 244,845	365.9%
<b>Per Capita</b>	\$ 1.91	\$ 1.21	\$ 5.62	366.3%
<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Investment Earnings	(658,519)	100,000	250,000	150.0%
General Fund	737,545	(47,442)	(5,155)	89.1%
<b>Revenue Total</b>	\$ 79,026	\$ 52,558	\$ 244,845	365.9%
<b>Authorized Personnel</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	18	18	18	0.0%
Part Time	-	-	1	100.0%
Seasonal	1	1	1	0.0%
<b>Total</b>	19	19	20	5.3%

Additional Information about the City Clerk's Office may be obtained by calling Debbie Miller, City Clerk, at 828.323.7409 or [dmiller@hickorync.gov](mailto:dmiller@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To serve the City Council as Clerk by being responsible for preparation of agendas, minutes, and all documents relating to Council activities. The City Clerk is custodian of all official records of the City and is responsible for the disposition of these records in accordance with state law.

### 2022/2023 Accomplishments

- Maintained scanning, and filing of all contracts, minutes, ordinances, and resolutions.
- Posted all agendas, action agendas, minutes, and legal notices to the website.
- Attended online courses for continuing education classes for Certified Municipal Clerk and North Carolina Certified Paralegal.
- Completed all documents necessary for ten annexation ordinances, including correspondence to the Secretary of State, et. al.
- Maintained membership roster for all boards and commissions.

### 2023/2024 Goals and Objectives

- **Goal:** Continue Clerk and Paralegal Education.
  - **Objective:** to maintain North Carolina State Bar Certified Paralegal and North Carolina Certified Municipal Clerk Certifications.
- **Goal:** Maintain, scan, and file all documents into Laserfiche.
  - **Objective:** to make easy access to documents for public records requests by citizens or information needed by staff and to archive documents in accordance with the records retention schedule.
- **Goal:** Average Annual Response Rate 5.
  - **Objective:** Continue to provide a high level of customer service.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Employee hours required to prepare City Council Agenda for regular meetings	3.31	3.26	4.0	5.0
Average # of days following a City Council meeting to obtain official signatures and return documents to the initiating department(s)	1.00	1.00	3.00	3.00
<b>Efficiency</b>				
% of Council minutes that are transcribed within 3 days of meeting without error	100%	100%	100%	100%
<b>Effectiveness</b>				
Average Response Rate - Annual Survey (Scale: 1-5)	5.0	5.0	5.0	5.0

# City Clerk's Office



The City Clerk's Office is located on the third floor of the Julian G. Whitener Municipal Building. The City Clerk provides information about City Council meetings and minutes, City ordinances, applications for Boards and Commissions, and official City records. The orientation of all boards and commissions, as well as the publicizing of these groups' meetings, is also a role of the City Clerk's Office.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	107,093	105,744	109,381	3.4%
Operations	16,554	25,338	28,792	13.6%
Capital	2,135	-	1,500	100.0%
Pro Rata Reimbursement	(65,333)	(66,640)	(67,972)	2.0%
<b>Expenditure Total</b>	<b>\$ 60,449</b>	<b>\$ 64,442</b>	<b>\$ 71,701</b>	<b>11.3%</b>
<b>Per Capita</b>	<b>\$ 1.46</b>	<b>\$ 1.48</b>	<b>\$ 1.65</b>	<b>11.4%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	60,449	64,442	71,701	11.3%
<b>Revenue Total</b>	<b>\$ 60,449</b>	<b>\$ 64,442</b>	<b>\$ 71,701</b>	<b>11.3%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	1	0.0%
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0.0%</b>

# Information Technology Department



Additional information about the Information Technology Department may be obtained by calling Eric Rucker, IT Director, at 828.323.7680 or [erucker@hickorync.gov](mailto:erucker@hickorync.gov)

## Functional Area: General Government

### Mission Statement

The mission of the Information Technology Department is to provide standardized, strategic, secure, and state-of-the-art information technology to advance the efficiency and delivery of services to the City of Hickory citizens, employees, and affiliates. Our vision is to facilitate technology, continuity, progression, integrity, and productivity.

### 2022/2023 Accomplishments

- Completion of first phase of the new ERP solution July/August 2023. Tyler Munis will help improve processes, reporting and input capabilities for all departments utilizing the financial system.
- IT server infrastructure migrated to Nutanix Hyper-converged platform, providing an average of twenty percent performance increase for City servers and virtual infrastructure.
- Cybersecurity posturing enhanced with various platform integrations to secure the city infrastructure and users.
- GIS improvements including, upgrade of Hickory's Enterprise GIS from 10.8.1 to 10.9.1, completion of Hickory's Land Use Layer, and Annexation History Layer.

### 2023/2024 Goals and Objectives

- **Goal:** Continue transition from current ERP software to Tyler Technologies cloud-based ERP applications.
  - **Objective:** Improve internal processes and reporting capabilities with fully integrated applications for Accounting, Human Resources, Asset Management, and others.
- **Goal:** Enhance cyber security posture and capability by implementing a cyber security fabric.
  - **Objective:** Provide city with increased cybersecurity threat detection and monitoring to mitigate attack vector and landscape, by introducing next generation firewall hardware and endpoint protection with SOAR and SIEM capabilities.
- **Goal:** Implement new phone system with enhanced mobile and offsite capabilities.
  - **Objective:** Increase phone system integration to allow for more robust connections either on premise or off premise to increase productivity and continuity.
- **Goal:** Create Hickory GIS Steering Meeting Group with regular meetings (Quarterly). Start an inventory of Parks and Recreation facilities and equipment and build out integration for Building Maintenance.
  - **Objective:** Enhance GIS capability for citizens and staff to facilitate a more robust experience and integration to existing or new systems.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Workload</b>				
Workstations\Servers supported	636	653	700	705
Monthly average service requests	81	114	127	130
<b>Efficiency</b>				
% of help desk requests with contact from assigned technician within one business day	95%	96%	98%	98%
% of service requests resolved within SLA	95%	95%	98%	98%
<b>Effectiveness</b>				
Average Response Rate - Annual Survey (Scale: 1-5)	4.5	4.7	4.7	4.9

# Information Technology Department



The Information Technology Department is located on the third floor of the Julian G. Whitener Municipal Building. This department operates and installs the City's computer systems and networks, and provides technical support and training to City departments.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	750,222	786,510	978,627	24.4%
Operations	766,585	829,901	935,893	12.8%
Capital	538,746	369,500	597,000	61.6%
Pro Rata Reimbursement	(136,780)	(139,515)	(142,306)	2.0%
<b>Expenditure Total</b>	<b>\$ 1,918,773</b>	<b>\$ 1,846,396</b>	<b>\$ 2,369,214</b>	<b>28.3%</b>
<b>Per Capita</b>	<b>\$ 46.60</b>	<b>\$ 42.37</b>	<b>\$ 54.42</b>	<b>28.5%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	179,035	215,000	175,000	-18.6%
General Fund	1,739,738	1,631,396	2,194,214	34.5%
<b>Revenue Total</b>	<b>\$ 1,918,773</b>	<b>\$ 1,846,396</b>	<b>\$ 2,369,214</b>	<b>28.3%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	9	9	9	0.0%
<b>Total</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>0.0%</b>

# Legal Department



Additional information about the Legal Department may be obtained by calling  
 Arnita Dula, Deputy City Attorney, at 828.323.7564 or [adula@hickorync.gov](mailto:adula@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To provide in house counsel to all City Departments, City Council and various Boards and Commissions, and to serve as the Police Attorney to the Hickory Police Department.

### 2022/2023 Accomplishments

- Reviewed and revised municipal forms.
- Completed 100% of requested title searches within 10 days.
- Coordinated litigation with outside counsel on various cases.
- Handled multiple public records requests.

### 2023/2024 Goals and Objectives

- **Goal:** Review and revise 100 municipal forms in a year.
  - **Objective:** Complete initial review and revision of a municipal form within 7 – 10 days.
- **Goal:** Research title opinions for various departments.
  - **Objective:** Research 80% of requested title searches within 10 days.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of municipal forms reviewed/revise	273	220	175	175
<b>Efficiency</b>				
% of title opinions requested and researched w/in 10 days	100%	100%	100%	100%
<b>Effectiveness</b>				
Average Response Rate - Annual Survey (Scale: 1-5)	4.85	4.85	4.85	4

# Legal Department



The Legal Department is located on the third floor of the Julian G. Whitener Municipal Building and provides in-house legal counsel to City departments. The Legal Department assists staff in answering questions about City ordinances and legal procedures. The Deputy City Attorney provides legal counsel and advice to the City Council, City Manager and City departments.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	221,555	218,135	230,792	5.8%
Operations	191,284	151,739	182,699	20.4%
Capital	3,411	1,500	2,000	33.3%
Pro Rata Reimbursement	(66,459)	(67,788)	(69,144)	2.0%
<b>Expenditure Total</b>	<b>\$ 349,791</b>	<b>\$ 303,586</b>	<b>\$ 346,347</b>	<b>14.1%</b>
<b>Per Capita</b>	<b>\$ 8.45</b>	<b>\$ 6.97</b>	<b>\$ 7.96</b>	<b>14.2%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	349,791	303,586	346,347	14.1%
<b>Revenue Total</b>	<b>\$ 349,791</b>	<b>\$ 303,586</b>	<b>\$ 346,347</b>	<b>14.1%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Seasonal	1	1	-	-100.0%
<b>Total</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>-33.3%</b>



# Engineering Division



Additional information about the Engineering Division may be obtained by calling Caroline Kone, P.E., Transportation & Engineering Manager, at 828.323.7500 or [ckone@hickorync.gov](mailto:ckone@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To provide professional engineering, surveying, transportation planning, stormwater design and project management services for both internal city departments and external customers.

### 2022/2023 Accomplishments

- Developed GIS maps of major stormwater outfall locations.
- Designed and oversaw construction of stormwater relocation along 21<sup>st</sup> St NW.
- Coordinated stream litter trap agreement with Catawba River Keepers.

### 2023/2024 Goals and Objectives

- **Goal:** Continue to provide professional engineering services to other City Departments.
  - **Objective:** Answer questions about feasibility, costs, and design concepts as well as provide engineering drawings, specifications, and contract documents.
- **Goal:** Continue to work towards full compliance of Stormwater regulations.
  - **Objective:** continue to administer stormwater management plan and develop training for all city employees.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of plans reviewed	112	131	103	125
# of projects completed	25	32	45	30
Annual \$ spent on Stormwater	\$250,000	\$250,000	\$250,000	\$250,000
<b>Efficiency</b>				
% of site plans w/o Stormwater reviewed w/in five days	30%	35%	45%	60%
% of site plans w/ Stormwater reviewed w/in ten days	99%	99%	99%	99%
<b>Effectiveness</b>				
% of billable hours to total work hours	65%	68%	77%	75%

# Engineering Division



The Engineering Division is located on the second floor of the Julian G. Whitener Municipal Building. The City Engineer and staff provide professional engineering and surveying services, transportation planning, and can answer questions related to street paving petitions, curb and gutter petitions, sidewalk petitions, driveway permits, city maps, and physical addresses. This division also prepares long-range plans for street and drainage improvements, and assists other City departments in construction and engineering efforts.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	359,859	425,658	448,167	5.3%
Operations	37,196	58,755	60,372	2.8%
Capital	30,686	7,000	66,500	850.0%
Pro Rata Reimbursement	(137,045)	(139,786)	(142,581)	2.0%
<b>Expenditure Total</b>	<b>\$ 290,696</b>	<b>\$ 351,627</b>	<b>\$ 432,458</b>	<b>23.0%</b>
<b>Per Capita</b>	<b>\$ 7.02</b>	<b>\$ 8.07</b>	<b>\$ 9.93</b>	<b>23.1%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	290,696	351,627	432,458	23.0%
<b>Revenue Total</b>	<b>\$ 290,696</b>	<b>\$ 351,627</b>	<b>\$ 432,458</b>	<b>23.0%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Part Time	-	-	-	0.0%
Seasonal	2	2	1	-50.0%
<b>Total</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>-12.5%</b>

# Office of Business Development



Additional information about the Office of Business Development may be obtained by contacting either of its divisions at 828.323.7422. (Brian M. Frazier, Planning Director, [bfrazier@hickorync.gov](mailto:bfrazier@hickorync.gov) or David Leonetti, Business Services Manager, [dleonetti@hickorync.gov](mailto:dleonetti@hickorync.gov).)

## Functional Area: Economic and Community Development

### Mission Statement

The City's economic development goal is to foster economic growth, job creation and quality of life through attracting and retaining business and industry, providing resources to promote small business development, encouraging tourism and supporting community revitalization. The office focuses on collaborating with existing and new businesses in the development process and supporting orderly development.

### 2022/2023 Accomplishments

- All bond projects are now under construction or design.
- Continued retail recruitment and retention strategy with Placer. Continued support of existing businesses.
- 208 housing units completed with an additional 2797 units under construction.
- 26 residential projects have been announced.
- Economic development agreement approved to construct two industrial buildings in Fairgrove Business Park.

### 2023/2024 Goals and Objectives

- **Goal:** Increase business activity and promote economic development.
  - **Objective:** Continue implementing retail recruitment and retention strategy begun in 2019-2020. Leverage new information from Placer.
  - **Objective:** Continue promoting city, state, and federal programs along with public private partnerships that will lead to economic development along the Hickory Trail and locations throughout the city.
- **Goal:** Facilitate bond projects and leverage city investments for economic development.
  - **Objective:** Have all bond projects under construction.
  - **Objective:** Seek and implement funding to develop business parks and promote economic development.
- **Goal:** Enhance quality of life for all city residents through state of the art current and comprehensive planning strategies.
  - **Objective:** Support neighborhood associations, boards, and commissions.
  - **Objective:** Continue to investigate updates to the Land Development Code to support neighborhoods and encourage development.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Removed illegal signs and banners	1,957	3,742	3,100	3,000
Business Visits and Meetings	35	35	45	52
<b>Efficiency</b>				
Conduct field inspections within 24 hours	95%	90%	90%	90%
Small business and revitalization loans/grants awarded	2	6	3	5
<b>Effectiveness</b>				
% of zoning compliance achieved within 30 days of written compliance notices	98%	95%	90%	95%
Investment in Hickory Trail ¼ Mile Buffer Zone – Permit Value (Calendar Year)	\$10,395,369	\$11,520,550	\$12,000,000	\$12,000,000

# Office of Business Development



The Office of Business Development is located on the second floor of the Julian G. Whitener Municipal Building; this Office includes the functions of Planning, Community Development, and Transportation. Planning staff is responsible for enforcing zoning, subdivision regulations, property uses, assisting with thoroughfare plans and annexations, managing historic preservation, public art and community appearance, and maintaining watershed regulations. Both the Permit Assistance Center and Community Development Office are housed in the Office of Business Development. Marketing the City of Hickory to interested developers outside the area is also a key economic development function of this department. This department staffs the Hickory Regional Planning Commission and is also responsible for staffing and promoting the work of the Historic Preservation Commission, the Public Art Commission and Community Appearance Commission, as well as maintaining the City's historic resources inventory. The office also coordinates the City of Hickory's transportation systems and assists other departments, including the Airport and Transit departments, with transportation planning, grant applications, and contacts with outside agencies.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	898,257	974,197	1,026,824	5.4%
Operations	49,229	65,455	68,118	4.1%
Capital	6,539	5,000	6,000	20.0%
Pro Rata Reimbursement	(33,520)	(34,223)	(34,874)	1.9%
<b>Expenditure Total</b>	<b>\$ 920,505</b>	<b>\$ 1,010,429</b>	<b>\$ 1,066,068</b>	<b>5.5%</b>
<b>Per Capita</b>	<b>\$ 22.23</b>	<b>\$ 23.19</b>	<b>\$ 24.49</b>	<b>5.6%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Miscellaneous	88,977	70,000	70,000	0.0%
Sales and Services	31,712	30,000	30,000	0.0%
General Fund	799,816	910,429	966,068	6.1%
<b>Revenue Total</b>	<b>\$ 920,505</b>	<b>\$ 1,010,429</b>	<b>\$ 1,066,068</b>	<b>5.5%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	11	11	12	9.1%
Part Time	1	1	1	0.0%
<b>Total</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>8.3%</b>

Additional information about the Police Department may be obtained by calling Reed Baer, Chief of Police, at 828.324.2060 or [rbaer@hickorync.gov](mailto:rbaer@hickorync.gov)

## Functional Area: Public Safety

### Mission Statement

The Hickory Police Department is committed to providing the highest quality service to customers: The citizens of and visitors to our city. Dedicated to improving the quality of life in the city, the department will work in partnership with the community to provide a high degree of effective and efficient public safety while maintaining respect for cultural diversity and individual rights and integrity.

### 2022/2023 Accomplishments

- The HPD Training Annex was updated over the last year to now include a virtual reality training system and a firearms training simulator, both of which include de-escalation of force scenarios. Specialized floor mats were also added at the annex to allow for defensive tactics and subject control training.
- The HPD Police Apprenticeship program was implemented and hired its first police apprentice in late 2022. Recruitment in partnership with CVCC in our local school systems is ongoing and more police apprentices are expected to be hired in the near future. These apprentices will work on a part time status as security aides for parks and linear pathways until they qualify to attend Basic Law Enforcement Training at age 20.
- The HPD held its first “Badges and Bears” event in 2022. Badges and Bears is part of a continued partnership with LRU staff and an outreach to LRU students/athletes for relationship building and recruitment. The event consisted of LRU students and staff engaging in police training scenarios and relationship building activities. Future Badges and Bears events are already planned for 2023.

### 2023/2024 Goals and Objectives

- **Goal:** Transition from current HPD radio system to NC Viper Radio System.
  - **Objective:** Moving from HPD’s current self-maintained radio system to the NC Viper Radio System will enhance HPD’s interoperable communication with local and statewide agencies. The NC Viper Radio System operates on the NC Statewide Viper Radio infrastructure. This will eliminate HPD’s current obligation and cost of maintaining its own radio system.
- **Goal:** Continue growing partnerships with local education institutions to develop new recruitment pathways.
  - **Objective:** HPD will continue building relationships with local public school systems as well as institutions of higher education. Growing our apprenticeship and internship programs through strong relationships with these local educational systems will be key for the recruitment of future HPD officers.
- **Goal:** Continued development of HPD co-worker holistic wellness initiatives and training.
  - **Objective:** Supporting and growing holistic co-worker wellness initiatives will be a focal point for HPD staff in the coming year. Training refreshers for wellness initiatives like Blue Courage and A.B.L.E. will be implemented for staff. All HPD staff will also have access to current HPD staff members who are a part of our newly formed Regional Critical Incident Stress Management Team.

# Police Department



Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of calls received	116,699	112,251	111,735	112,000
# of calls dispatched	47,503	45,829	43,384	45,500
# dispatched calls per Patrol Officer	633	611	578	600
<b>Efficiency</b>				
# of cases assigned to Criminal Investigations Division	556	617	636	625
<b>Effectiveness</b>				
Average call time from receipt to generated	1:17	1:10	1:05	1:10

The Hickory Police Department is located at 347 2<sup>nd</sup> Avenue SW. The administrative offices of the Chief of Police, Patrol Division, Support Services Division, Animal Control Unit, Criminal Investigations Division, and Code Enforcement are housed at this facility. The Hickory Police Department also offers a Victim Assistance Program and many other community education services. The Hickory Police Department uses a community policing approach in its daily work activities.

Expenditures by Type	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	11,483,629	11,808,208	12,321,668	4.3%
Operations	2,513,226	2,582,240	2,596,563	0.6%
Capital	618,479	996,300	1,191,632	19.6%
Pro Rata Reimbursement	(2,880)	(2,938)	(2,996)	2.0%
<b>Expenditure Total</b>	\$ 14,612,454	\$ 15,383,810	\$ 16,106,867	4.7%
<b>Per Capita</b>	\$ 352.90	\$ 353.02	\$ 370.00	4.8%

Revenues by Type	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Unrestricted Intergovernmental	120,000	120,000	120,000	0.0%
Restricted Intergovernmental	64,016	115,608	65,409	-43.4%
Licenses and Permits	172,952	4,500	4,500	0.0%
Miscellaneous	7,500	-	-	0.0%
Sales and Services	224,958	237,200	237,200	0.0%
General Fund	14,023,028	\$ 14,906,502	15,679,758	5.2%
<b>Revenue Total</b>	\$ 14,612,454	\$ 15,383,810	\$ 16,106,867	4.7%

Authorized Personnel	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	157	157	157	0.0%
Part Time	22	22	22	0.0%
Seasonal	4	4	4	0.0%
<b>Total</b>	183	183	183	0.0%

Additional information about the Fire Department may be obtained by calling Matthew S. Hutchinson, Fire Chief, at 828.323.7501 or [mhutchinson@hickorync.gov](mailto:mhutchinson@hickorync.gov)

## Functional Area: Public Safety

### Mission Statement

Hickory Fire Department's mission is to provide our community with quality life safety, incident stabilization, and property conservation through professionalism and the continual pursuit of excellence.

### 2022/2023 Accomplishments

- One of the first fire departments in North Carolina to transition from cancer-causing Class B Firefighting Foam containing PFAS to a synthetic fluorine-free biodegradable foam. Funding was provided through a partnership with Shurtape Technologies and the Catawba County Economic Development Corporation.
- Expanded a specialized training program and implemented a process to build a cohesive team of personnel cross-trained in firefighting and specialized technical rescue disciplines assigned to Station 1. The rescue team creates a county-wide resource in partnership with three county fire departments.
- Adopted the ATF's BATS reporting system to participate in a joint task force that tracks fire investigations across the country.
- Created a program to identify and develop existing and future leadership and development. This included a new pay plan for the operations division, career ladder pathways, a coordinated fire academy with CVCC, and career fairs at local high schools and colleges.
- Utilized the Public Safety Training Center to enhance training programs to educate and certify personnel on multi-hazard service delivery that maintains the ISO Class 1 rating.
- Completed the final year of a three-year project to enhance firefighting personal protective equipment.
- Obtained applicant status with the Center for Public Safety Excellence (CPSE) in preparation for international accreditation.

### 2023/2024 Goals and Objectives

- **Goal:** Attract and retain a qualified workforce of tenured coworkers in which the demographics are reflective of the community served.
  - **Objective:** Attract qualified applicants that represent our city and department well.
  - **Objective:** Evaluate policies and practices to determine the effectiveness of recruitment and professional development efforts throughout all divisions of the fire department.
- **Goal:** Develop and support a comprehensive training program that educates and equips personnel to further enhance a multi-hazards service delivery model.
  - **Objective:** Determine and procure equipment and logistical needs to meet the demands of new service areas.
  - **Objective:** Develop training programs to educate personnel on multi-hazard service delivery.
- **Goal:** Obtain International Accreditation through the Center for Public Safety Excellence (CPSE).
  - **Objective:** Complete the self-assessment process centered on implementing the community-driven 5-year strategic plan, the community risk assessment, and standards of cover.
- **Goal:** Implement an internal health and wellness risk management program to promote a healthy workforce and member longevity.
  - **Objective:** Form a health and wellness team to evaluate current procedures in place.
  - **Objective:** Implement an approved health and wellness program that includes a peer fitness component to evaluate physical fitness annually.
- **Goal:** Create innovative workflow and business processes that embrace a data-driven approach to technology.
  - **Objective:** Implement an online training platform that maintains the fire department's ISO Class 1.



# Fire Department



Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of unit Responses	7,998	10,452	10,978	11,500
Community Risk Reduction Attendance (New)	6,315	39,161	40,582	44,204
# of Fire Inspector Activities	5,074	4,258	5,333	5,500
Department Training Hours	60,710	27,862	28,039	28,080
<b>Efficiency</b>				
% of fires with a cause and origin determination	98.8%	97%	97%	95%
Property Value Saved	\$22,341,395	\$90,207,786	\$100,000,000	\$110,000,000
% Mechanical Availability of Apparatus	97%	98.4%	98%	95%
<b>Effectiveness</b>				
90th Percentile Travel Time for the First Arriving Unit	5:04	5:28	5:34	5:40
90th Percentile Travel Time for the First Alarm	7:57	7:55	8:00	8:00
# Preventable Structure Fires in Inspectable Properties	4	12	8	0
# of fires extinguished before fire department arrival	25	31	20	25
% of total fires confined to room of origin	61.2%	74.2%	67.4%	70%

Fire Station 1, located at 19 2<sup>nd</sup> Street NE, is headquarters for Fire Administration. The Fire Chief's office is located at the headquarters station. Fire Education and Fire Prevention offices are located on the first floor of the Julian G. Whitener Municipal Building. The City of Hickory Fire Department operates out of six community-based locations along with one aircraft fire rescue station located at the Hickory Regional Airport. All fire stations are staffed with full time personnel working a twenty-four shift schedule. The Hickory Fire Prevention Bureau can assist with information on fire code, plan reviews and fire code inspections for all types of occupancy classification. Fire Prevention issues permits for installation of fire alarms, sprinkler systems, other related fire protection systems, storage tank installation and removal, including special events.

Expenditures by Type	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	9,920,348	9,788,306	10,267,440	4.9%
Operations	1,446,415	1,751,269	1,892,455	8.1%
Capital	1,556,801	1,487,000	583,001	-60.8%
Pro Rata Reimbursement	(65,671)	(66,984)	(68,324)	2.0%
<b>Expenditure Total</b>	<b>\$ 12,857,893</b>	<b>\$ 12,959,591</b>	<b>\$ 12,674,572</b>	<b>-2.2%</b>
<b>Per Capita</b>	<b>\$ 310.52</b>	<b>\$ 297.39</b>	<b>\$ 291.16</b>	<b>-2.1%</b>

Revenues by Type	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Restricted Intergovernmental	708,819	708,400	902,143	27.3%
Sales and Services	221,662	171,000	203,000	18.7%
General Fund	11,927,412	12,080,191	11,569,429	-4.2%
<b>Revenue Total</b>	<b>\$ 12,857,893</b>	<b>\$ 12,959,591</b>	<b>\$ 12,674,572</b>	<b>-2.2%</b>

Authorized Personnel	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	139	139	139	0.0%
Part Time	1	1	1	0.0%
<b>Total</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>0.0%</b>

Additional information about the Building Services Division may be obtained by calling Joshua Rice, Parks & Public Properties Manager, at 828.302.3752 or [jrice@hickorync.gov](mailto:jrice@hickorync.gov)

**Functional Area: General Government**

**Mission Statement**

To coordinate public service activities in such a way to maximize resources, while maintaining a healthy and pleasant environment for customers and coworkers.

**2022/2023 Accomplishments**

- New LED landscape lighting at Shuford House Gardens.
- Remodeled interior/exterior of Oakwood Cemetery Office.
- New LED retrofit at HPD Firing Range.
- LED retrofit at HPD Headquarters (over 450 new LED fixtures).
- Camera additions and lighting at Ridgeview/Taft Broome.
- New Virtual Reality system installed at HPD Annex.
- Remodeled City Hall Foyer/Council Chambers Door.
- Extensive repairs to City Hall fountain with new LED lighting and new water feature.
- Addition of two new areas of LED string lights at Union Square.
- Oktoberfest Panels installed and powered along Main Ave NW for vendors.
- Extensive remodel to Winkler Museum to accommodate for ceramics classes (Roof/HVAC/Electrical/Painting).

**2023/2024 Goals and Objectives**

- **Goal:** Continue to update all City facilities to LED lighting.
  - **Objective:** To continue partnering with all city division to upgrade each facility to LED lighting to reduce electricity consumption.
- **Goal:** City Hall Appearance Upgrades.
  - **Objective:** Continue to work with City Hall Management to improve the overall appearance throughout the facility.
- **Goal:** Increase security & surveillance throughout City facilities.
  - **Objective:** Limit access to unauthorized areas with the use of signage, increase the amount of cameras and badge readers at major facilities.

<b>Performance Measures</b>	<b>2020-2021 Actual</b>	<b>2021-2022 Actual</b>	<b>2022-2023 Estimated</b>	<b>2023-2024 Goal</b>
<b>Work Load</b>				
# of service requests received, scheduled & serviced by the Building Services division	1311	843	850	900
<b>Efficiency</b>				
% of Building Division's service requests completed in 48 hours	95%	86.5%	95%	95%
<b>Effectiveness</b>				
Average per hour labor cost per service request	\$39.52	\$41.10	\$42.75	\$44.00

## Public Services: Parks & Public Properties/Building Services Division



The Building Services division is located and operates from the Public Services complex located at 1441 9th Ave NE. The division consists of ten staff personnel who perform a variety of internal citywide services for all city facilities. These services range from general and preventative maintenance, HVAC troubleshooting and repair work, remedial plumbing and small construction, extensive electrical maintenance and troubleshooting as well as awarded council directive projects and 24-hour on-call emergency services to ensure smooth operations of city facilities.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	466,443	600,532	684,710	14.0%
Operations	71,075	81,578	82,064	0.6%
Capital	91,687	262,000	89,800	-65.7%
Pro Rata Reimbursement	(333,312)	(345,531)	(352,443)	2.0%
<b>Expenditure Total</b>	<b>\$ 295,893</b>	<b>\$ 598,579</b>	<b>\$ 504,131</b>	<b>-15.8%</b>
<b>Per Capita</b>	<b>\$ 7.15</b>	<b>\$ 13.74</b>	<b>\$ 11.58</b>	<b>-15.7%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	11,133	14,000	14,000	0.0%
General Fund	284,760	584,579	490,131	-16.2%
<b>Revenue Total</b>	<b>\$ 295,893</b>	<b>\$ 598,579</b>	<b>\$ 504,131</b>	<b>-15.8%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	10	10	10	0.0%
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0.0%</b>

# Public Services: Central Services Division



Additional information about the Central Services Division may be obtained by calling Steve Miller, Public Works Director, at 828.323.7500 or [smiller@hickorync.gov](mailto:smiller@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To provide customer service that is accurate for both internal and external customers. This division provides daily assistance to all Public Services Divisions in their reporting and response activities.

### 2022/2023 Accomplishments

- Processed weekly and bi-weekly Payroll for Public Services.
- Maintain data entry of work orders on a daily basis. This allows all divisions to accurately report quarterly and year with respect to Powell Bill, NCDOT Benchmarking and Performance Measures.
- Streamlined VC3 to have important information pertaining to Public Service.
- Decreased errors on Work Orders to less than 1 percent.
- Provided data and administrative help to meet each division's goals for all Public Services Divisions.

### 2023/2024 Goals and Objectives

- **Goal:** Assist all Public Services Divisions in daily activities as needed.
  - **Objective:** Provide data collection on service request for better service delivery.
  - **Objective:** Produce reports as needed by division supervisors.
  - **Objective:** Analyze time allocation by determining work order hours versus scheduled hours worked.
- **Goal:** Maintain data entry of work orders on a daily basis.
  - **Objective:** Provide work orders to office assistant on a daily basis.
- **Goal:** Improve efficiency of office automation.
  - **Objective:** Move to electronic filing program.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of work orders entered (annual)	24,836	24,535	25,000	25,000
<b>Efficiency</b>				
Average Response Rate-VC3 Service Request Days	4	4	4	4
<b>Effectiveness</b>				
% of time accounted for on work orders vs. actual time turned in for Public Services	94%	95%	94%	94%

# Public Services: Central Services Division



This division provides office support to all divisions within Public Services. Customer inquiries, complaints, and service requests regarding Public Services divisions are fielded by this division and forwarded to the proper division for prompt response.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	563,385	544,842	607,147	11.4%
Operations	147,143	170,217	212,699	25.0%
Capital	8,015	129,500	6,500	-95.0%
Pro Rata Reimbursement	(287,049)	(292,790)	(298,646)	2.0%
<b>Expenditure Total</b>	<b>\$ 431,494</b>	<b>\$ 551,769</b>	<b>\$ 527,700</b>	<b>-4.4%</b>
<b>Per Capita</b>	<b>\$ 10.42</b>	<b>\$ 12.66</b>	<b>\$ 12.12</b>	<b>-4.3%</b>
<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	431,494	551,769	527,700	-4.4%
<b>Revenue Total</b>	<b>\$ 431,494</b>	<b>\$ 551,769</b>	<b>\$ 527,700</b>	<b>-4.4%</b>
<b>Authorized Personnel</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	7	7	8	14.3%
<b>Total</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>14.3%</b>

# Public Services: Traffic Division



Additional information about the Public Services Traffic Division may be obtained by calling Caroline M. Kone, P.E., Transportation & Engineering Manager, at 828.323.7500 or [ckone@hickorync.gov](mailto:ckone@hickorync.gov)

## Functional Area: Transportation

### Mission Statement

To provide and maintain a safe, effective, and efficient surface transportation system through appropriate and innovative traffic engineering solutions.

### 2022/2023 Accomplishments

- Refreshed approximately 6000ft of yellow centerline paint.
- Refreshed approximately 4500ft of white edgeline paint.
- Replaced approximately 60 LED signal head lenses.
- Replaced approximately 4000ft of signal loop detection wiring.

### 2023/2024 Goals and Objectives

- **Goal:** Reduce travel time delays for drivers.
  - **Objective:** Evaluate and maintain signals to ensure efficient operations.
- **Goal:** Provide an effective transportation system.
  - **Objective:** Install retroreflective backer panels on east/west signal heads.
- **Goal:** Enhance the safety of roadways.
  - **Objective:** Replace all stop-signs and pedestrian signs on City streets.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of intersection markings refreshed	77*	111	125	120
<b>Efficiency</b>				
Reduce travel time delay at signalized intersections (average percent reduction)	6.7%**	13.4%	26%	20%
<b>Effectiveness</b>				
Average response time (VC3) to citizens	13 hrs 31 min	12 hrs 55 min	13 hrs 2 min	24hrs

\*resource procurement difficult due to COVID and supply chain issues

\*\*traffic patterns affected due to COVID making timing adjustments difficult

# Public Services: Traffic Division



This division maintains all traffic signals within City limits for the North Carolina Department of Transportation (NCDOT). Traffic signals, traffic markings, and street signs also fall under the responsibility of this division.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	604,348	766,489	859,456	12.1%
Operations	941,102	1,255,389	1,281,977	2.1%
Capital	121,621	331,500	155,000	-53.2%
Pro Rata Reimbursement	(15,934)	(10,613)	(16,577)	56.2%
<b>Expenditure Total</b>	<b>\$ 1,651,137</b>	<b>\$ 2,342,765</b>	<b>\$ 2,279,856</b>	<b>-2.7%</b>
<b>Per Capita</b>	<b>\$ 39.88</b>	<b>\$ 53.76</b>	<b>\$ 52.37</b>	<b>-2.6%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Unrestricted Intergovernmental	387,596	457,250	400,000	-12.5%
Sales and Services	39,687	40,000	40,000	0.0%
General Fund	1,223,854	1,845,515	1,839,856	-0.3%
<b>Revenue Total</b>	<b>\$ 1,651,137</b>	<b>\$ 2,342,765</b>	<b>\$ 2,279,856</b>	<b>-2.7%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Part Time	-	-	-	0.0%
Seasonal	4	4	4	0.0%
<b>Total</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>0.0%</b>



# Public Services: Street Division



Additional information about the Public Services Traffic Division may be obtained by calling Caroline M. Kone, P.E., Transportation & Engineering Manager, at 828.323.7500 or [ckone@hickorync.gov](mailto:ckone@hickorync.gov)

## Functional Area: Transportation

### Mission Statement

To provide an attractive and safe transportation system for pedestrians and vehicles by maintaining present facilities and constructing additional infrastructure where and when necessary.

### 2022/2023 Accomplishments

- Installed over 3000ft linear feet of curb & gutter.
- Installed over 5000 linear feet of storm drainage pipe.
- Resurfaced 6.69 lane miles using 5,600 tons asphalt.

### 2023/2024 Goals and Objectives

- **Goal:** Provide safe walkways for pedestrians.
  - **Objective:** Construct all budgeted sidewalk projects by July, 2023.
- **Goal:** Provide safe street for the travelling public.
  - **Objective:** Resurface approximately 9 lane-miles of asphalt roadway and provide necessary maintenance within budget.
- **Goal:** Provide safe and reliable storm drain system.
  - **Objective:** Make necessary repairs and upgrades to storm drain system.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Linear feet of new sidewalk construction	6,943	4,541	3870**	3,700
NCDOT right of way miles maintained	4,700	4,700	4,700	4,700
<b>Efficiency</b>				
Tons of asphalt in place per lane mile maintained (annually)	580	580	580	580
Cost per ton of asphalt placed – contractor	\$131.00*	\$132.82	\$150.00	\$175.00
<b>Effectiveness</b>				
% of potholes repaired within 24 hours	92%	94%	93%	93%

\* numbers higher than normal due to larger than average amount of milling and patching

\*\*numbers lower than normal due to extremely wet weather

# Public Services: Street Division



This division is responsible for curb and gutter installation, sidewalks, driveway entrance construction, pothole repair, and street maintenance (sweeping, cleaning, and right of way mowing). This division also handles snow removal, storm drain repairs, and mowing of overgrown lots. Each year the City Council adopts a paving list that identifies all streets to be paved/resurfaced in the upcoming fiscal year. The Street Division assists the Engineering Division in preparation of the list and executes work as directed by Council.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	1,660,621	2,181,002	2,372,126	8.8%
Operations	1,673,979	1,829,560	1,835,939	0.3%
Capital	1,274,582	475,000	899,500	89.4%
Pro Rata Reimbursement	(64,058)	(65,339)	(66,646)	2.0%
<b>Expenditure Total</b>	<b>\$ 4,545,124</b>	<b>\$ 4,420,223</b>	<b>\$ 5,040,919</b>	<b>14.0%</b>
<b>Per Capita</b>	<b>\$ 109.77</b>	<b>\$ 101.43</b>	<b>\$ 115.80</b>	<b>14.2%</b>

<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Other Taxes	195,532	180,000	180,000	0.0%
Restricted Intergovernmental	1,413,649	1,520,000	1,510,076	-0.7%
Sales and Services	44,129	20,000	20,000	0.0%
General Fund	2,891,814	2,700,223	3,330,843	23.4%
<b>Revenue Total</b>	<b>\$ 4,545,124</b>	<b>\$ 4,420,223</b>	<b>\$ 5,040,919</b>	<b>14.0%</b>

<b>Authorized Personnel</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	37	37	37	0.0%
Part Time	5	5	5	0.0%
Seasonal	6	6	6	0.0%
<b>Total</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>0.0%</b>

# Public Services: Parks & Public Properties Landscape Division



Additional information about the Public Services Landscape Services Division may be obtained by calling Steve Miller, Public Works Director, at 828.323.7500 or [smiller@hickorync.gov](mailto:smiller@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To beautify and maintain all City properties in order for them to be aesthetically pleasing and functional in purpose for the benefit of citizens.

### 2022/2023 Accomplishments

- Completed installation of a new drainage creek in Glen Hilton Park.
- Installed a new ADA compliant playground at Bruce Meisner Park.
- Installed a new park ID sign at PD Fowler Field.
- Added new Christmas decorations to Union Square.
- Installed new Japanese Garden at Sally Fox Arboretum.
- Installed new cornhole boards at Bruce Meisner Park.

### 2023/2024 Goals and Objectives

- **Goal:** Install new signage at all City Cemeteries.
  - **Objective:** To enhance the aesthetics of the cemeteries.
- **Goal:** Installation of native flora in the city's parks.
  - **Objective:** Promote more wildlife in the parks, and reduce daily maintenance.
- **Goal:** Perform more routine, scheduled safety inspections of the city's parks.
  - **Objective:** To promote safety and less downtime with our playground equipment.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of trees/shrubs planted annually	26/589	23/700	25/200	30/250
# of trees/shrubs maintained	769/8,100	792/8800	806/9000	900/9200
<b>Efficiency</b>				
Annual cost to maintain Oakwood Cemetery	76,639	66,979	75,700	80,000
Annual cost to maintain Ridgeview Cemetery	10,312	16,707	17,000	16,000
Annual cost to maintain Fairview Cemetery	12,034	10,534	13,000	13,000
<b>Effectiveness</b>				
% of Cemetery plots/graves repaired due to settling	1%	1%	1%	5%

## Public Services: Parks & Public Properties Landscape Division



This division is responsible for City cemetery maintenance, planting and landscaping of City properties, and maintaining City grounds and parks facilities.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	5,053,175	2,267,060	2,513,468	10.9%
Operations	1,393,823	1,377,787	1,456,408	5.7%
Capital	2,383,829	952,260	1,009,200	6.0%
Pro Rata Reimbursement	(135,439)	(138,148)	(140,942)	2.0%
<b>Expenditure Total</b>	<b>\$ 8,695,388</b>	<b>\$ 4,458,959</b>	<b>\$ 4,838,134</b>	<b>8.5%</b>
<b>Per Capita</b>	<b>\$ 210.00</b>	<b>\$ 102.32</b>	<b>\$ 111.14</b>	<b>8.6%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	71,242	40,000	40,000	0.0%
General Fund	8,624,146	4,418,959	4,798,134	8.6%
<b>Revenue Total</b>	<b>\$ 8,695,388</b>	<b>\$ 4,458,959</b>	<b>\$ 4,838,134</b>	<b>8.5%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	42	42	42	0.0%
Part Time	1	1	1	0.0%
Seasonal	15	15	15	0.0%
<b>Total</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>0.0%</b>

# Parks, Recreation, & Sports Tourism Department



Additional information about the Parks, Recreation, and Sports Tourism Department may be obtained by calling Mark Seaman, Director of Parks, Recreation & Sports Tourism at 828.322.7046 or [mseaman@hickorync.gov](mailto:mseaman@hickorync.gov)

## Functional Area: Culture and Recreation

### Mission Statement

To provide high quality parks, facilities, and programs to serve the citizens of Hickory.

### 2022/2023 Accomplishments

- Increased Sports Tourism.
- Increased adult athletic programs.
- Increased special needs programming.

### 2023/2024 Goals and Objectives

- **Goal:** Continue to increase Sports Tourism through field and facility rentals.
  - **Objective:** To generate revenue for the City of Hickory.
- **Goal:** Continue to develop and enhance more non-traditional athletic programs.
  - **Objective:** To offer diverse programs for participants of all ages and backgrounds.
- **Goal:** Continue to provide recreational programs that contribute to one’s mental and physical well-being.
  - **Objective:** Encourage our citizens to live healthy lifestyles through recreation.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
% of residents/non-residents in athletic programs	77%, 23%	66%, 34%	80%, 20%	80%, 20%
Annual # of participants in athletic programs	582	1,461	1,889	2,000
# of drop-in users of recreation centers/month (Avg.)	2,356	7,381	8,000	8,200
<b>Efficiency</b>				
\$ profit/loss concessions	\$4,693	\$12,794	\$50,000	\$51,000
<b>Effectiveness</b>				
% increase in number of adult athletic programs	100%	90%	95%	95%
% recreation center programs planned that are actually held	100%	100%	100%	100%

# Parks, Recreation, & Sports Tourism Department



The Parks, Recreation, and Sports Tourism Department is located at 1451 8<sup>th</sup> Street Drive NE. The City operates five general and two senior citizen recreation centers, eighteen parks (active and passive) consisting of 428 acres. Athletic league games, special events and instructional programs for youth, adult, and senior groups are provided in large numbers. The recreation centers offer classes in arts and crafts, ceramics and many other activities to all age groups.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	1,240,740	1,371,487	1,430,591	4.3%
Operations	444,286	371,547	415,544	11.8%
Capital	314,847	59,161	145,075	145.2%
Pro Rata Reimbursement	47,517	48,467	49,347	1.8%
<b>Expenditure Total</b>	<b>\$ 2,047,390</b>	<b>\$ 1,850,662</b>	<b>\$ 2,040,557</b>	<b>10.3%</b>
<b>Per Capita</b>	<b>\$ 49.45</b>	<b>\$ 42.47</b>	<b>\$ 46.87</b>	<b>10.4%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	315,172	220,000	270,000	22.7%
Miscellaneous	22,459	11,000	11,000	0.0%
General Fund	1,709,759	1,619,662	1,759,557	8.6%
<b>Revenue Total</b>	<b>\$ 2,047,390</b>	<b>\$ 1,850,662</b>	<b>\$ 2,040,557</b>	<b>10.3%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	19	19	19	0.0%
Part Time	15	15	16	6.7%
Seasonal	13	13	14	7.7%
<b>Total</b>	<b>47</b>	<b>47</b>	<b>49</b>	<b>4.3%</b>

# Public Services Dept: *L.P. Frans Stadium*



Additional information about the Parks and Recreation Department may be obtained by calling Steve Miller, Public Works Director, at 828.323.7500 or [smiller@hickorync.gov](mailto:smiller@hickorync.gov)

## Functional Area: Culture and Recreation

### Mission Statement

To maintain LP. Frans Stadium in accordance with the existing lease agreement between the City of Hickory and Hickory Baseball, Inc.

### 2022/2023 Accomplishments

- Pruned/mulched all exterior landscaping.
- Addressed numerous safety issues within the stadium.
- Removed dead/hazardous trees in parking lot.

### 2023/2024 Goals and Objectives

- **Goal:** Repaint all interior metal surfaces.
  - **Objective:** Improve the aesthetics and safety within the stadium.
- **Goal:** Replace suite HVAC units with modern mini-split units.
  - **Objective:** Ensure a more pleasurable experience for the spectators.
- **Goal:** Improve the overall level of landscape maintenance.
  - **Objective:** Improve the overall spectators experience.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Average attendance at baseball games	1,300	1,700	1,750	1,800
<b>Efficiency</b>				
% of work order requests from Hickory Baseball completed within 72 hours	100%	100%	100%	100%
<b>Effectiveness</b>				
Cost to maintain stadium structure (Annual)	830,843	117,885	130,000	135,000



# Public Services Dept: *L.P. Frans Stadium*



This division is responsible for the maintenance of L.P. Frans Stadium in accordance with professional baseball standards, and for minor league baseball games and other special events.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Operations	139,614	152,452	160,189	5.1%
Capital	-	-	-	0.0%
<b>Expenditure Total</b>	\$ 139,614	\$ 152,452	\$ 160,189	5.1%
<b>Per Capita</b>	\$ 3.37	\$ 3.50	\$ 3.68	5.2%
<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	14,164	22,500	22,500	0.0%
General Fund	125,450	129,952	137,689	6.0%
<b>Revenue Total</b>	\$ 139,614	\$ 152,452	\$ 160,189	5.1%

# Public Library Department



Additional information about the Hickory Public Library system may be obtained by calling Sarah Greene, Library Director, at 828.304.0500 or [sgreene@hickorync.gov](mailto:sgreene@hickorync.gov)

## Functional Area: Culture and Recreation

### Mission Statement

Hickory Public Library promotes a high quality of life by providing empowering opportunities and excellent service.

### 2022/2023 Accomplishments

- Opened The Learning Lab makerspace.
- Sponsored Hickory Museum of Art exhibit, *Charles White: A Little Higher*, and offered collaborative programs for all ages.
- Installed technology upgrades, including wireless printing options and equipment to allow hybrid meetings.
- Gathered data for the Library's new Strategic Plan.

### 2023/2024 Goals and Objectives

- **Goal:** Libraries support literacy and education.
  - **Objective:** Strengthen Launchpad for Learning collaboration with Hickory Public Schools.
- **Goal:** Libraries collaborate with community agencies.
  - **Objective:** Expand outreach programs to seniors and preschools.
- **Goal:** Libraries are responsive to community needs.
  - **Objective:** The Library Advisory Board will complete an updated strategic plan.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Circulation (raw number)	219,143	277,742	300,000	315,000
Items checked out through Library To-Go	28,421	23,072	20,000	20,000
<b>Efficiency</b>				
% of items checked out using self-check stations	4%	9%	10%	12%
% of items checked out using digital resources	25%	19%	21%	20%
<b>Effectiveness</b>				
Program Attendance	1,555	12,162	13,000	15,000

# Public Library Department



The City of Hickory operates two libraries, the Patrick Beaver Memorial Library and Ridgeview Library. The Patrick Beaver Memorial Library is a state-of-the-art facility that opened in January 1998. The Ridgeview branch opened in the Spring of 1998. The libraries are committed to providing timely and accurate information for the citizens of the community, enhancing the informational literacy of customers, and stimulating the interest of citizens in reading and learning. The libraries provide audiovisual collections, reference materials, children's collections and access to the internet. The libraries' patrons include residents of Hickory and at least four surrounding counties.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	1,437,122	1,447,430	1,554,189	7.4%
Operations	605,996	719,497	727,528	1.1%
Capital	115,305	65,000	68000	4.6%
Pro Rata Reimbursement	1,890	1,928	1,966	2.0%
<b>Expenditure Total</b>	<b>\$ 2,160,313</b>	<b>\$ 2,233,855</b>	<b>\$ 2,351,683</b>	<b>5.3%</b>
<b>Per Capita</b>	<b>\$ 52.17</b>	<b>\$ 51.26</b>	<b>\$ 54.02</b>	<b>5.4%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Restricted Intergovernmental	255,066	247,717	274,835	10.9%
Sales and Services	14,072	15,000	15,000	0.0%
General Fund	1,891,175	1,971,138	2,061,848	4.6%
<b>Revenue Total</b>	<b>\$ 2,160,313</b>	<b>\$ 2,233,855</b>	<b>\$ 2,351,683</b>	<b>5.3%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	19	19	20	5.3%
Part Time	19	19	15	-21.1%
Seasonal	2	2	-	-100.0%
<b>Total</b>	<b>40</b>	<b>40</b>	<b>35</b>	<b>-12.5%</b>

# City Hall/Public Buildings



Additional information about the Building Services Division may be obtained by calling Josh Rice, Parks and Public Properties Manager, at 828-323-7500 or [jrice@hickorync.gov](mailto:jrice@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To house and accommodate the operations of government in a cost-effective manner.

### 2022/2023 Accomplishments

- Completed renovation of City Hall Foyer.
- Began new security measures for Union Square restrooms.
- Completed repair and installation of new fountain at City Hall.

### 2023/2024 Goals and Objectives

- **Goal:** Continue interior update projects for the lobby and second floor of City Hall.
  - **Objective:** To provide a more aesthetically pleasing environment for customers and employees.
- **Goal:** To add more security cameras in more appropriate locations.
  - **Objective:** To ensure a safer and better monitored area.
- **Goal:** Update the landscape material in lower parking lot.
  - **Objective:** To enhance the customers entrance and exit to the drive-through pay booth.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of service requests received scheduled & serviced for City Hall & Union Square	176	103	130	120
<b>Efficiency</b>				
% of preventive maintenance program completed via internally or under contract	100%	100%	100%	100%
<b>Effectiveness</b>				
# of false security alarms requiring response in maintaining facility security	2	0	0	0

# City Hall/Public Buildings



City Hall for the City of Hickory is located in the Julian G. Whitener Municipal Building in downtown Hickory and was built in 1977. This is where the City Manager's Office is located and where the administration of the City, as prescribed by the North Carolina General Statutes, coordinates all activities and carries out all policies and actions of the City Council. The Council Chambers are also located in this building where the Council holds their meetings on the first and third Tuesdays of the month. General information and service requests from citizens and businesses are also available at this site through the Action Center.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	27,455	28,122	28,123	0.0%
Operations	471,350	284,638	332,328	16.8%
Capital	170,000	50,000	-	-100.0%
Pro Rata Reimbursement	(9,095)	(9,277)	(9,463)	2.0%
<b>Expenditure Total</b>	<b>\$ 659,710</b>	<b>\$ 353,483</b>	<b>\$ 350,988</b>	<b>-0.7%</b>
<b>Per Capita</b>	<b>\$ 15.93</b>	<b>\$ 8.11</b>	<b>\$ 8.06</b>	<b>-0.6%</b>
<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
General Fund	659,710	353,483	350,988	-0.7%
<b>Revenue Total</b>	<b>\$ 659,710</b>	<b>\$ 353,483</b>	<b>\$ 350,988</b>	<b>-0.7%</b>
<b>Authorized Personnel</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Part Time	2	2	2	0.0%
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0.0%</b>

# Board and Agency Funding



The City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not currently provide. To qualify for funding, an organization must generally be non-profit with a policy of non-discrimination and submit multi-year plans, audited financial records, and a list of board of directors. The City Council also appoints several Boards and Commissions to assist the Council by providing recommendations on policies, enforcing regulations established by Council and promoting activities and programs that improve the quality of life in the City.

Special Appropriations by Functional Area	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
<b>General Government</b>					
Community Appearance Commission	728	375	2,800	2,800	0%
Public Art Commission	382	17,328	18,000	18,000	0%
<i>Subtotal</i>	1,110	17,703	20,800	20,800	0%
<b>Public Safety</b>					
Spay and Neuter Program	1,000	0	1,000	0	-100%
<i>Subtotal</i>	1,000	0	1,000	0	-100%
<b>Economic and Community Development</b>					
Catawba County EDC	124,499	131,824	131,824	140,495	7%
Catawba County Chamber of Commerce	0	0	0	0	0%
Downtown Development Association	65,000	65,000	65,000	65,000	0%
Economic Dev. - Miscellaneous	323,342	1,327,222	62,500	102,500	64%
Economic Dev. Incentives	136,147	1,451,974	441,688	398,753	-10%
Façade/Landscape Grant	41,472	0	40,000	0	-100%
Hickory Community Relations Council	10,925	16,062	17,000	19,800	16%
Hickory Convention/Visitors Bureau	20,000	20,000	20,000	20,000	0%
Historic Preservation	10,706	50	9,000	9,000	0%
International Council	11,088	11,700	11,700	11,700	0%
Tourism Development Authority	1,603,690	0	1,100,000	0	-100%
University City Commission	7,570	10,888	12,000	12,000	0%
Vacant Building Revitalization	1,313	0	100,000	100,000	0%
Western Piedmont Council of Governments	45,364	51,402	52,278	59,464	14%
Youth Council	1,502	3,893	4,000	4,000	0%
<i>Subtotal</i>	2,402,618	3,090,015	2,066,990	942,712	-54%
<b>Culture and Recreation</b>					
Sabre Society	6,214	0	25,000	0	-100%
SALT Block Facility Improvement	100,000	100,000	100,000	100,000	0%
United Arts Council of Catawba County	40,611	41,359	43,490	43,959	1%
<i>Subtotal</i>	140,611	141,359	168,490	143,959	-15%
<b>Transportation</b>					
Western Piedmont Regional Transit Authority	237,330	211,226	194,884	173,444	-11%
<i>Subtotal</i>	237,330	211,226	194,884	173,444	-11%
<b>Total</b>	<b>2,782,669</b>	<b>3,460,303</b>	<b>2,452,164</b>	<b>1,280,915</b>	<b>-48%</b>

# General Fund Debt Service



The debt service appropriations account for the payment of principal and interest on general obligation bonds and notes, and proceeds from debt instruments to finance major capital projects. General Statute 159-13 (b) (1) requires the full amount established by the finance officer for a budget year to be appropriated for debt service. A government unit will earmark respective fund revenues to meet debt service obligations.

<b>General Fund Debt</b>	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
<b>Bonded Debt</b>					
2018 G.O. Bond Series - Interest	616,875	541,875	504,375	466,875	-7%
2018 G.O. Bond Series - Principal	750,000	750,000	750,000	750,000	0%
2019 G.O. Bond Series - Interest	175,950	564,750	527,250	489,750	-7%
2019 G.O. Bond Series - Principal	0	750,000	750,000	750,000	0%
2021 G.O. Bond Series - Interest	0	155,194	200,000	332,500	66%
2021 G.O. Bond Series - Principal	0	0	500,000	500,000	0%
<i>Subtotal</i>	1,542,825	2,761,819	3,231,625	3,289,125	2%
<b>Installment Purchase</b>					
Communications System	115,000	115,000	115,000	57,500	-50%
General Government	310,000	700,000	700,000	700,000	0%
Interest	71,529	0	165,165	695,401	321%
Fire	20,175	60,088	60,089	0	-100%
Police	0	51,333	51,333	51,333	0%
<i>Subtotal</i>	516,704	926,421	1,091,587	1,504,234	38%
<b>Grand Total</b>	<b>2,059,529</b>	<b>3,688,240</b>	<b>4,323,212</b>	<b>4,793,359</b>	<b>11%</b>



# Transfers/Other Financing Uses



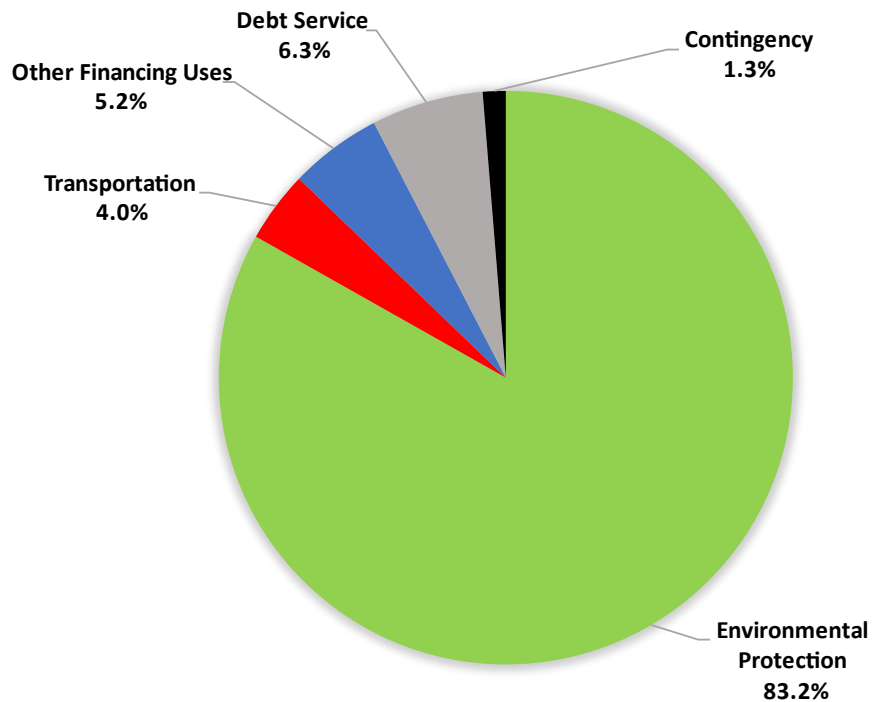
Interfund transfers are transfers between the fund(s) receiving sources and the fund(s) through which the resources are to be expended. The transfer to the Capital Reserve Fund, for example, reserves funds for future capital outlay needs as prescribed in Council's financial policy and Capital Improvement Plan.

<b>Transfers from General Fund</b>	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Capital Projects	6,951,620	3,466,390	0	0	0%
Capital Reserve Fund	1,263,089	1,678,602	1,624,000	2,200,000	35%
Internal Service Fund	209,863	22,960	0	0	0%
Multi-Year Grant Program Fund	23,196	22,370	0	0	0%
Solid Waste Fund	0	55,940	0	800,000	0%
Stormwater Fund	1,124,354	136,031	132,931	139,227	5%
Transportation Capital Projects Fund	51,311	0	0	0	0%
Airport Fund	23,000	750,326	233,176	250,000	7%
<b>Total</b>	<b>9,646,433</b>	<b>6,132,619</b>	<b>1,990,107</b>	<b>3,389,227</b>	<b>70%</b>

# Enterprise Funds

The Enterprise Funds are comprised of the Water and Sewer, Stormwater, Sludge Compost, Transportation, and Solid Waste funds. The Water and Sewer and Solid Waste funds are financed through user charges. Hickory, Conover and Catawba County finance the Sludge Compost Fund through intergovernmental agreements and participation. The following functional areas are included in the Enterprise Funds: Environmental Protection, Transportation, Other Financing Uses, Debt Service and Contingency.

**ENTERPRISE FUND EXPENDITURES BY FUNCTIONAL AREA**



# Enterprise Funds



<b>Enterprise Fund Revenue by Category</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Other Taxes	33,673	30,000	30,000	0.0%
Restricted Intergovernmental	4,151,222	3,305,002	3,598,525	8.9%
Sales and Services	37,232,964	34,479,410	36,937,242	7.1%
Investment Earnings	(574,847)	67,500	85,000	25.9%
Miscellaneous	2,095,552	612,000	1,300,526	112.5%
Other Financing Sources	(1,192,467)	8,477,160	8,432,347	-0.5%
<b>Revenue Total</b>	<b>41,746,097</b>	<b>46,971,072</b>	<b>50,383,640</b>	<b>7.3%</b>
<b>Per Capita</b>	<b>1,008.19</b>	<b>1,077.86</b>	<b>1,157.39</b>	<b>7.4%</b>

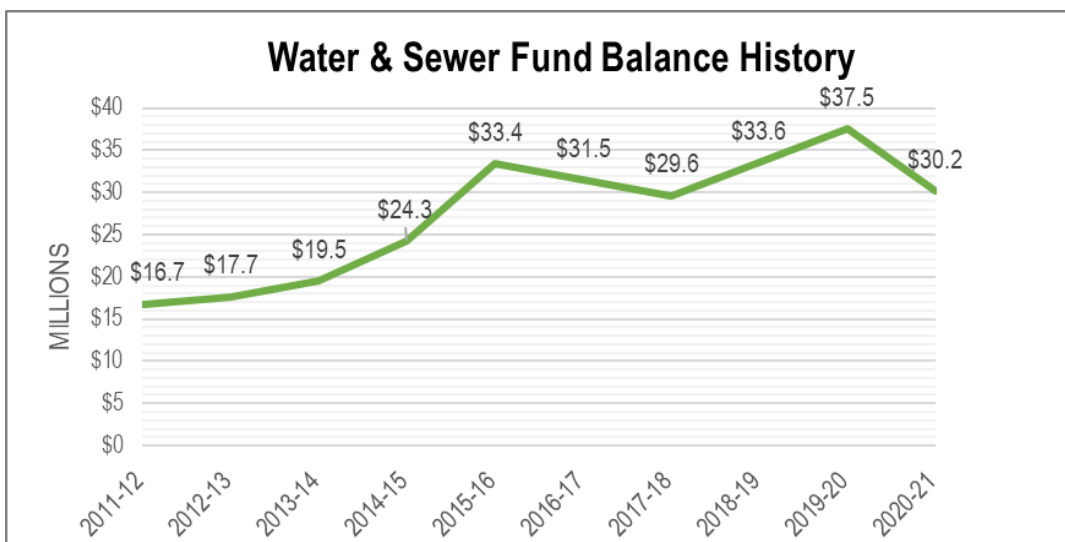
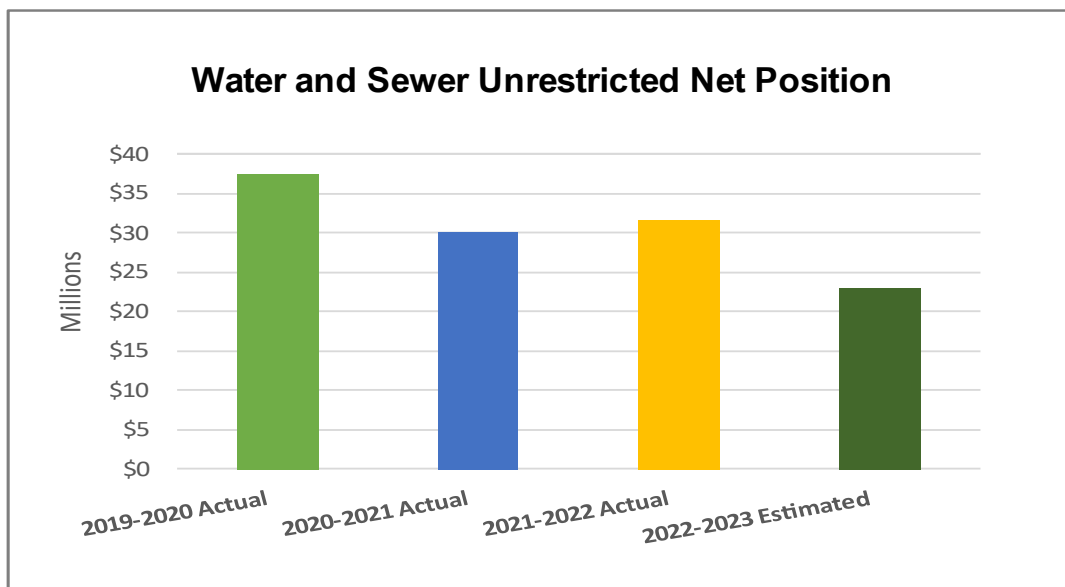
<b>Enterprise Fund Expenditure by Category</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	8,997,127	10,348,536	11,030,702	6.6%
Operations	14,693,055	16,374,196	17,793,449	8.7%
Capital	8,779,200	8,779,200	9,967,800	13.5%
Contingency	-	400,000	650,000	62.5%
Special Appropriations	50,403	75,802	84,252	11.1%
Debt Service	330,062	3,733,241	3,177,827	-14.9%
Interfund Transfers	10,752,061	2,342,421	2,625,044	12.1%
Pro Rata Reimbursement	4,862,326	4,917,676	5,054,566	2.8%
<b>Expenditure Total</b>	<b>48,464,234</b>	<b>46,971,072</b>	<b>50,383,640</b>	<b>7.3%</b>
<b>Per Capita</b>	<b>1,170.44</b>	<b>1,077.86</b>	<b>1,157.39</b>	<b>7.4%</b>

# Enterprise Funds

## Unrestricted Net Position Projection

The unrestricted net position in the Water and Sewer Fund was \$31,698,044 on June 30, 2022. Going into FY2023-2024, the unrestricted net position of the Water and Sewer Fund is expected to be \$23,026,305.

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Water and Sewer Fund	37,522,822	30,170,676	31,698,044	23,026,305
Dollar Change	3,941,802	(7,352,146)	1,527,368	(8,671,739)
Percent Change	13%	-20%	5%	-27%



Additional Information about the Public Utilities Administration Division may be obtained by calling M. Shawn Pennell, DS-A, CS-4, Public Utilities Director, at 828.323.7427 or [spennell@hickorync.gov](mailto:spennell@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To respond to Federal, State, and Local requirements, to educate the community about public utilities, and to provide leadership in developing regional utility agreements in anticipation of becoming a regional provider.

### 2022/2023 Accomplishments

- Partnered with Catawba County to plan for additional wastewater capacity in Hickory-Catawba WWTF.
- Prepare engineering plans to provide additional sewer service to Trivium Corporate Center.
- Began construction of new Biosolids Facility.

### 2023/2024 Goals and Objectives

- **Goal:** Provide regional services.
  - **Objective:** Partner with systems in the region to provide reliable, sustainable water and sewer services.
- **Goal:** Sustainably manage the City of Hickory utility system.
  - **Objective:** Operate within Budget to provide water and sewer services and improve the system.
- **Goal:** Improve system reliability.
  - **Objective:** Plan for and complete budgeted projects to rehabilitate critical components of the system.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of publications produced per year	17	15	15	15
<b>Efficiency</b>				
% of meters read per month	99.7%	99.7%	99.7%	95.0%
<b>Effectiveness</b>				
% of construction plans reviewed within 10 days	100%	99.5%	99.5%	100%

# Public Utilities Administration



Public Utilities Administration is responsible for ensuring proper management and operation of the Public Utilities Department. They are directly responsible for budget preparation and management, meter reading, capital projects/planning and development, plan review and permit writing. Public Utilities Administration manages the water and wastewater enterprise fund.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	818,902	999,771	1,361,194	36.2%
Operations	4,375,732	4,204,713	4,901,209	16.6%
Capital	5,413	134,800	182,800	35.6%
Contingency		150,000		-100.0%
Special Appropriations	50,403	75,723	84,252	11.3%
Pro Rata Reimbursement	4,137,000	4,123,140	4,328,242	5.0%
<b>Expenditure Total</b>	\$ 9,387,450	\$ 9,688,147	\$ 10,857,697	12.1%
<b>Per Capita</b>	\$ 226.71	\$ 222.32	\$ 249.42	12.2%
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	7,866,745	9,018,147	9,499,171	5.3%
Investment Earnings	(574,847)	60,000	60,000	0.0%
Miscellaneous	2,095,552	610,000	1,298,526	112.9%
<b>Revenue Total</b>	\$ 9,387,450	\$ 9,688,147	\$ 10,857,697	12.1%
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	14	14	15	7.1%
Seasonal	1	1	1	0.0%
<b>Total</b>	15	15	16	6.7%

# Utilities Collections Division



Additional Information about the Collection System Division may be obtained by calling  
 Kenny Pennell, CS-4, Utilities Maintenance Supervisor, at 828.323.7427 or [kpennell@hickorync.gov](mailto:kpennell@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To maintain and timely repair water and wastewater facilities in order to protect the environment and natural resources of the community.

### 2022/2023 Accomplishments

- Coordinated replacing broken 8" creek crossing from CSI Farm Rd over Henry Fork River.
- Started generator maintenance program for generators at pump stations and booster stations.
- Repaired several creek crossings; Catawba County Health Dept, outside the Pines 2, behind the Farm Apartments and Glen Hilton Park.

### 2023/2024 Goals and Objectives

- **Goal:** To obtain the required footage of sewer line cleaning.
  - **Objective:** To achieve 10% of line cleaning.
- **Goal:** To maintain right-of-way to make accessible for cleaning and inspecting of sewer lines.
  - **Objective:** To achieve 20% of clearing of right-of-way.
- **Goal:** To accurately monitor flows at pump stations to determine possible sources of Inflow & Infiltration.
  - **Objective:** Perform pump draw-down tests at all stations to better monitor flows.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Total linear feet of sewer line cleaned	171,549	276,324	280,000	260,000
Total # of sewer service requests	222	308	320	300
<b>Efficiency</b>				
Average cost per request for sewer maintenance	\$299.00	\$350.00	\$395.00	\$350.00
<b>Effectiveness</b>				
% of Right-of-Way maintained	11%	23%	12%	20%



# Utilities Collections Division



This division is responsible for proper operation and maintenance of Hickory's 476 miles of collection system and 51 pump stations. This operation is staffed 24 hours a day with State Certified Operators on each crew that performs construction or maintenance.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	936,742	1,038,267	1,168,547	12.5%
Operations	780,828	952,330	1,121,768	17.8%
Capital	764,798	4,177,000	5,310,500	27.1%
<b>Expenditure Total</b>	<b>\$ 2,482,368</b>	<b>\$ 6,167,597</b>	<b>\$ 7,600,815</b>	<b>23.2%</b>
<b>Per Capita</b>	<b>\$ 59.95</b>	<b>\$ 141.53</b>	<b>\$ 174.60</b>	<b>23.4%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Water and Sewer Fund	2,482,368	6,167,597	7,600,815	23.2%
<b>Revenue Total</b>	<b>\$ 2,482,368</b>	<b>\$ 6,167,597</b>	<b>\$ 7,600,815</b>	<b>23.2%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	16	16	17	6.3%
Seasonal	1	1	1	0.0%
<b>Total</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>5.9%</b>

# Henry Fork Plant Division



Additional Information about the Henry Fork Division may be obtained by calling Robert Shaver, WWT-4, WWTF Superintendent, at 828.294.0861 or [rshaver@hickorync.gov](mailto:rshaver@hickorync.gov).

## Functional Area: Environmental Protection

### Mission Statement

To promote and protect the environment, health and natural resources of customers through responsible stewardship in the treatment of wastewater returned to streams and lakes.

### 2022/2023 Accomplishments

- The Henry Fork Plant was compliant with all NPDES permit requirements.
- Completed upgrades the Main Pump Station piping and valves.
- Developed good working relationship with contractors during the construction of the Sludge Drying Facility.

### 2023/2024 Goals and Objectives

- **Goal:** Maintain a safe and effective workplace.
  - **Objective:** To meet or exceed permit requirements and promote coworker safety.
- **Goal:** Develop contingency plans for each phase of the treatment process.
  - **Objective:** To ensure rapid response to crisis and ensure adequate treatment is maintained.
- **Goal:** Continue to develop and maintain good working relationship with construction contractors.
  - **Objective:** To ensure good communication and the ability to maintain effective treatment during the construction project.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Tons of solids hauled to Compost Facility	993	815	950	1,000
<b>Efficiency</b>				
Chemical cost per thousand gallons wastewater treated	\$0.07	\$0.08	\$0.09	\$0.10
<b>Effectiveness</b>				
% of solids removal through the facility	97%	97%	96%	90%

# Henry Fork Plant Division



This division is responsible for ensuring wastewater is properly treated before discharge into the Jacob Fork River. This is a nine million gallons per day facility, staffed continuously with State Certified Operators. This facility receives wastewater flow generally from areas in South Hickory and Burke County.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	639,234	669,224	629,978	-5.9%
Operations	495,889	631,709	683,896	8.3%
Capital	-	164,500	77,000	-53.2%
<b>Expenditure Total</b>	<b>\$ 1,135,123</b>	<b>\$ 1,465,433</b>	<b>\$ 1,390,874</b>	<b>-5.1%</b>
<b>Per Capita</b>	<b>\$ 27.41</b>	<b>\$ 33.63</b>	<b>\$ 31.95</b>	<b>-5.0%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Restricted Intergovernmental	192,418	50,000	150,000	200.0%
Water and Sewer Fund	942,705	1,415,433	1,240,874	-12.3%
<b>Revenue Total</b>	<b>\$ 1,135,123</b>	<b>\$ 1,465,433</b>	<b>\$ 1,390,874</b>	<b>-5.1%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	10	10	10	0.0%
Seasonal	1	1	1	0.0%
<b>Total</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>0.0%</b>

# Northeast Plant Division



Additional Information about the Northeast Plant Division may be obtained by calling Keith Rhyne, WWT-4, WWTF Superintendent, at 828.322.5075 or [krhyne@hickorync.gov](mailto:krhyne@hickorync.gov).

## Functional Area: Environmental Protection

### Mission Statement

To promote and protect the environment, health and natural resources of customers through responsible stewardship in the treatment of wastewater returned to streams and lakes.

### 2022/2023 Accomplishments

- New efficient LED lights were installed throughout the plant.
- Maintained full NPDES Permit conditions with zero violations.
- Maintained chemicals cost below \$0.06 cents per thousand gallons of treated wastewater and solids removal efficiency above 95%.

### 2023/2024 Goals and Objectives

- **Goal:** Keep the CIP plan up to date.
  - **Objective:** Plan and purchase new plant equipment.
- **Goal:** Meet the 2023 Performance Measure goals.
  - **Objective:** Maintain chemical cost below \$0.06 per thousand gallons treated and solids removal efficiency above 90%.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Tons of solids hauled to Compost Facility	939	1,015	1,125	1,200
<b>Efficiency</b>				
Chemical cost per thousand gallons wastewater treated	\$0.034	\$0.042	\$0.057	\$0.06
<b>Effectiveness</b>				
% of solids removal through the facility	97%	97%	98%	90%

# Northeast Plant Division



This division is responsible for ensuring wastewater is properly treated before discharge into the Catawba River/Lake Hickory. This is a six million gallons per day facility staffed continuously with State Certified Operators. This facility receives wastewater flow generally from North Hickory and Alexander County.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	638,878	672,044	719,095	7.0%
Operations	437,309	503,363	527,917	4.9%
Capital	1,348	137,000	154,000	12.4%
<b>Expenditure Total</b>	<b>\$ 1,077,535</b>	<b>\$ 1,312,407</b>	<b>\$ 1,401,012</b>	<b>6.8%</b>
<b>Per Capita</b>	<b>\$ 26.02</b>	<b>\$ 30.12</b>	<b>\$ 32.18</b>	<b>6.9%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Water and Sewer Fund	1,077,535	1,312,407	1,401,012	6.8%
<b>Revenue Total</b>	<b>\$ 1,077,535</b>	<b>\$ 1,312,407</b>	<b>\$ 1,401,012</b>	<b>6.8%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Seasonal	-	-	-	0.0%
<b>Total</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>0.0%</b>

# Water Plant Division



Additional Information about the Water Plant Division may be obtained by calling Wesley Boyd, SW-A, Water Treatment Plant Superintendent, at 828.323.7530 or [wboyd@hickorync.gov](mailto:wboyd@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To promote and protect the environment, health and natural resources of customers through responsible stewardship in the treatment of water.

### 2022/2023 Accomplishments

- Met all State and Federal drinking water standards to maintain compliance with no exceedances or violations.
- Continued the Water Treatment Facility's efforts to engage and educate the community through hosting tour groups, community groups, schools, and universities.
- New chemical feed technology was utilized to provide an additional layer of environmental stewardship and operational efficiency.

### 2023/2024 Goals and Objectives

- **Goal:** Position the Water Treatment Facility to continue being a utility provider prepared for the future.
  - **Objective:** Through continued commitment to the Facility Master Plan, provide for the appropriate replacement or renovation of equipment and facilities to improve the level of service to the communities we serve.
- **Goal:** Develop and train the facility staff to elevate employee performance as well as provide for advancement opportunities.
  - **Objective:** Encourage and provide support for educational opportunities, training events and continued professional development to all staff members.
- **Goal:** Position the City of Hickory for compliance with the 2024 deadline for Lead and Copper Rule revision.
  - **Objective:** Successfully complete a lead service line inventory and replacement plan as mandated by regulators.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Average million gallons treated per day	11.8	12.1	12.6	13.0
Million Gallons of Billed Water per all staff FTE	57.3	60.13	63.48	65
<b>Efficiency</b>				
Peak capacity daily demand as a percent of treatment	47.3%	50.03%	53.53%	55%
Billed water as % of finished water	85%	85%	85%	85%
<b>Effectiveness</b>				
Customer complaints about water quality per 1,000 meters	0.38	0.45	0.57	0.35

# Water Plant Division



This division is responsible for providing safe drinking water for distribution to our customers. The City of Hickory's Water Treatment Facility is a 32 million gallon-per-day facility currently producing an average of 13.85 MGD.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	624,890	762,167	769,558	1.0%
Operations	1,880,401	2,135,026	2,568,499	20.3%
Capital	13,823	999,000	881,000	-11.8%
<b>Expenditure Total</b>	<b>\$ 2,519,114</b>	<b>\$ 3,896,193</b>	<b>\$ 4,219,057</b>	<b>8.3%</b>
<b>Per Capita</b>	<b>\$ 60.84</b>	<b>\$ 89.41</b>	<b>\$ 96.92</b>	<b>8.4%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Water and Sewer Fund	2,519,114	3,896,193	4,219,057	8.3%
<b>Revenue Total</b>	<b>\$ 2,519,114</b>	<b>\$ 3,896,193</b>	<b>\$ 4,219,057</b>	<b>8.3%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	12	12	12	0.0%
Part Time	1	1	1	0.0%
Seasonal	1	1	1	0.0%
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0.0%</b>



# Pretreatment/Lab Division



Additional Information about the Pretreatment/Lab Division may be obtained by calling Morgan Bowers, WWLA-1, Pretreatment Coordinator, at 828-322-4821 or [mbowers@hickorync.gov](mailto:mbowers@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To provide quality laboratory/pretreatment services in order to promote and protect public health, the environment, and natural resources.

### 2022/2023 Accomplishments

- Judged compliance for 14 SIU's based on City of Hickory monitoring results & industry self-monitoring results, issued notices of compliance/non-compliance accordingly, and submitted appropriate surcharges to Finance.
- Assisted the City of Claremont with continued support of monitoring & reporting for their 2 NPDES permits.
- Administered Oil & Grease policy in accordance with the City of Hickory's SUO.
- Submitted Henry Fork WWTP Headworks Analysis.
- Submitted the 2023 Pretreatment Annual Report.

### 2023/2024 Goals and Objectives

- **Goal:** Maintain the City of Hickory's Pretreatment Program.
  - **Objective:** Monitor the City of Hickory's 14 SIU's & maintain the major elements of our active pretreatment programs.
- **Goal:** Administer Oil & Grease policy in accordance with the City of Hickory's SUO.
  - **Objective:** Monitor the City of Hickory's approximately 235 oil & grease contributors.
- **Goal:** Maintain the City of Hickory's laboratory certification.
  - **Objective:** Conduct laboratory testing for 5 NPDES permits and 14 SIU's. Pass proficiency testing for each parameter on the City of Hickory's laboratory certified parameter list.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of industrial contacts for assistance of permits annually	874	908	950	525
<b>Efficiency</b>				
% of oil and grease contributors re-inspected	14.4%	6.6%	6.2%	≤15%
<b>Effectiveness</b>				
% of industrial permit non-compliant	2.1%	1.8%	1.7%	≤4%

# Pretreatment/Lab Division



The Pretreatment/Lab Division performs laboratory services for the Henry Fork and Northeast Wastewater Treatment Facilities. This division also performs biological and chemical testing for industries that make up the City of Hickory's Pretreatment Program.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	446,156	478,762	476,709	-0.4%
Operations	143,209	187,989	187,486	-0.3%
Capital	12,983	23,400	18,000	-23.1%
<b>Expenditure Total</b>	\$ 602,348	\$ 690,151	\$ 682,195	-1.2%
<b>Per Capita</b>	\$ 14.55	\$ 15.84	\$ 15.67	-1.0%
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Water and Sewer Fund	602,348	690,151	682,195	-1.2%
<b>Revenue Total</b>	\$ 602,348	\$ 690,151	\$ 682,195	-1.2%
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	7	7	7	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
<b>Total</b>	8	8	8	0.0%

# Distribution Division



Additional Information about the Utilities Distribution Division may be obtained by calling Travis Hall, Construction Operations Coordinator, at 828.323.7427 or [thall@hickorync.gov](mailto:thall@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To provide premium quality water and sewer service to all existing and new customers as it relates to construction.

### 2022/2023 Accomplishments

- Completed replacement of the 16" water line along 11<sup>th</sup> St NE as part of Aviation Walk Bond Project.
- Installed numerous valves to help improve resiliency in the distribution system.
- Replaced approximately 550 water meters, added approximately 740 new water meters in the distribution system.

### 2023/2024 Goals and Objectives

- **Goal:** Meet the requirements of the Safe Drinking Water Act.
  - **Objective:** Maintain adequate chlorine residuals throughout the Distribution System.
- **Goal:** Increase meter reading efficiency and minimize water loss.
  - **Objective:** Implementation of AMI meter reading technologies.
- **Goal:** Improve Utilities Distribution record keeping.
  - **Objective:** Continue to update mapping on GIS Hickory Infrastructure Map.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Thousands of gallons of billed water per meter	130.26	121.96	128.02	140.5
Millions of gallons of billed water per water services FTE's	74.12	79.25	84.69	63.4
Miles of main line pipe per square mile of service area	2.95	2.96	2.98	2.97
Breaks and leaks per mile of main pipe line	0.28	0.19	0.29	0.02
<b>Efficiency</b>				
Percent of existing pipeline replaced or rehabbed	0.136%	0%	0.08%	1.5%
<b>Effectiveness</b>				
Percent of water bills not collected	1.64%	1.6%	3.1%	3.0%

# Distribution Division



This division is responsible for proper operation and maintenance of Hickory's 717 miles of distribution system. This operation is staffed with State Certified Operators on each construction crew that performs construction, maintenance or service connection installations.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	1,792,794	2,149,360	2,119,666	-1.4%
Operations	984,274	1,180,228	1,304,377	10.5%
Capital	778,383	4,310,500	5,418,000	25.7%
<b>Expenditure Total</b>	<b>\$ 3,555,451</b>	<b>\$ 7,640,088</b>	<b>\$ 8,842,043</b>	<b>15.7%</b>
<b>Per Capita</b>	<b>\$ 85.87</b>	<b>\$ 175.32</b>	<b>\$ 203.12</b>	<b>15.9%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Water and Sewer Fund	3,555,451	7,640,088	8,842,043	15.7%
<b>Revenue Total</b>	<b>\$ 3,555,451</b>	<b>\$ 7,640,088</b>	<b>\$ 8,842,043</b>	<b>15.7%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	33	33	31	-6.1%
Part Time	-	-	-	0.0%
Seasonal	4	4	4	0.0%
<b>Total</b>	<b>37</b>	<b>37</b>	<b>35</b>	<b>-5.4%</b>

# Sludge Composting Fund

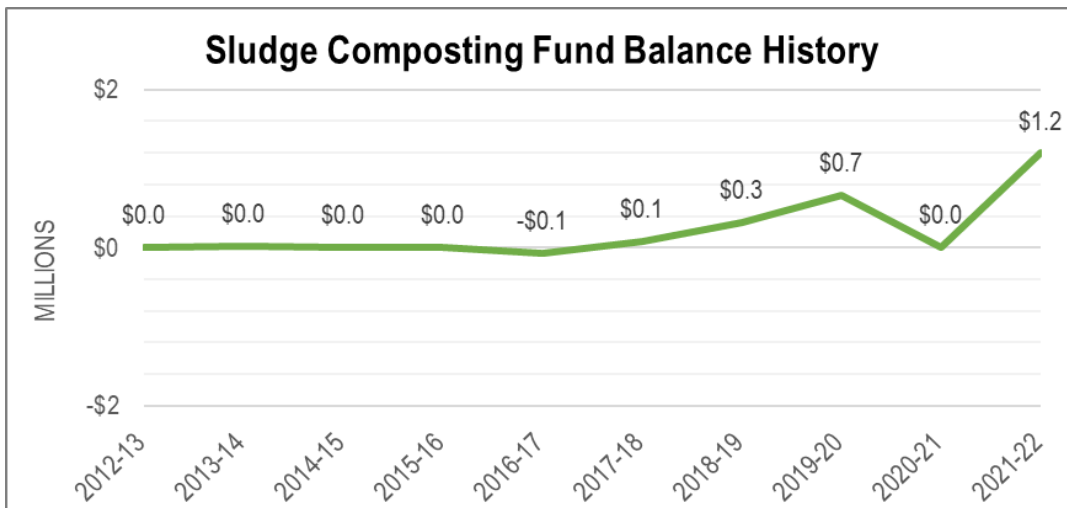
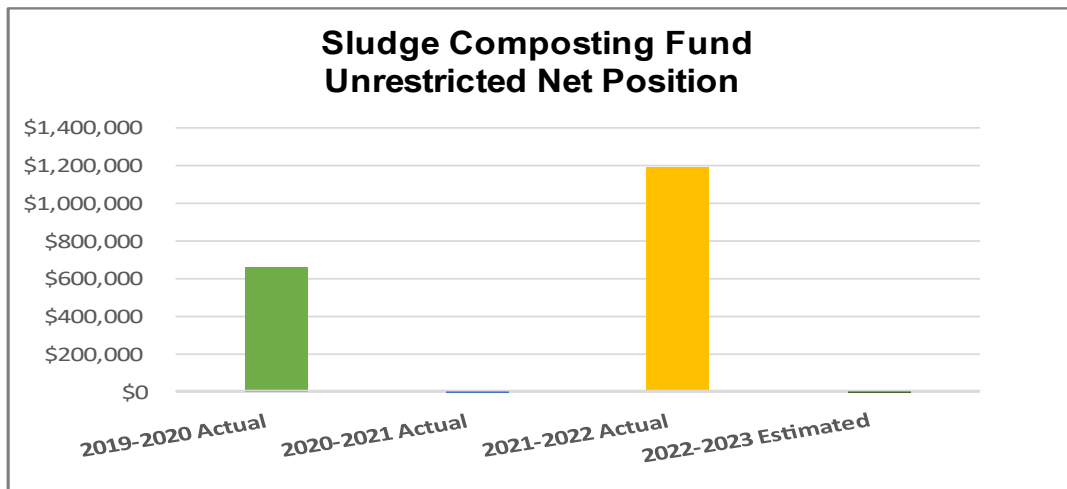


The Sludge Composting Fund consists of only one department, the Sludge Compost Facility of the Public Services Department. The fund exists because of the shared ownership of the facility between the cities of Hickory and Conover. Hickory serves as the lead agent. The original facility was built in the late 1980's through a grant from the Environmental Protection Agency (EPA).

## Unrestricted Net Position Projection

The Sludge Composting facility is a regionally operated facility whose operating costs are funded by the participating units. The City of Hickory provides administrative support and retains title to all fund assets. The facility was originally constructed with an innovative technology grant received from the Federal Environmental Protection Agency. The updated facility has been in operation since 1993. Trend information related to Sludge Composting Fund retained earnings balance is presented below:

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Sludge Composting Fund	663,821	-	1,194,162	-
Dollar Change	236,112	(663,821)	1,194,162	(1,194,162)
Percent Change	278%	-100%	100%	-100%



# Sludge Composting Division



Additional Information about the Sludge Compost Facility of the Public Services Department may be obtained by calling Andrew Foy, Assistant Public Utilities Director, at 828.323.7427 or [afoy@hickorync.gov](mailto:afoy@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To accept and treat wastewater bio-solids generated in the region into a reusable product, which has a positive impact on the environment.

### 2022/2023 Accomplishments

- Facility was operated in compliance with 503 permit without violations.
- Produced Annual Report for EPA and NCDEQ.

### 2023/2024 Goals and Objectives

- **Goal:** Safely treat biosolids received at facility.
  - **Objective:** Operate facility in compliance with 503 regulations.
- **Goal:** Ensure sustainable operations while new facility is under construction.
  - **Objective:** Balance short-term capital and operational needs to ensure reliable operation while planning for facility end of life.
- **Goal:** To be a good neighbor to the surrounding community.
  - **Objective:** Operate the facility with no odor complaints.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Average million gallons of sludge treated (annually)	18,194,500	16,110,500	18,452,000	17,500,000
Average dry tons treated (daily)	11.81	11.64	12.25	12.00
Cubic Yards of compost sold	13,885	16,910	18,000	17,000
<b>Efficiency</b>				
Avg. cost per dry ton produced	\$641	\$605	\$620	\$740
<b>Effectiveness</b>				
Percentage of weeks compliant with Residuals Permit	100%	100%	92%	100%

# Sludge Composting Division



This facility is operated under contract with Veolia Water for the Sludge Consortium, of which Hickory is the lead agent. This facility is responsible for accepting biosolids from consortium participants and producing Class “A” residual compost.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Operations	1,640,725	1,767,443	1,814,716	2.7%
Capital	-	240,000	50,000	-79.2%
Pro Rata Reimbursement	131,253	133,880	136,568	2.0%
<b>Expenditure Total</b>	<b>\$ 1,771,978</b>	<b>\$ 2,141,323</b>	<b>\$ 2,001,284</b>	<b>-6.5%</b>
<b>Per Capita</b>	<b>\$ 42.79</b>	<b>\$ 49.14</b>	<b>\$ 45.97</b>	<b>-6.4%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Restricted Intergovernmental	2,132,180	2,141,323	2,001,284	-6.5%
Miscellaneous	9,861	-		0.0%
<b>Revenue Total</b>	<b>\$ 2,142,041</b>	<b>\$ 2,141,323</b>	<b>\$ 2,001,284</b>	<b>-6.5%</b>

# Stormwater Fund

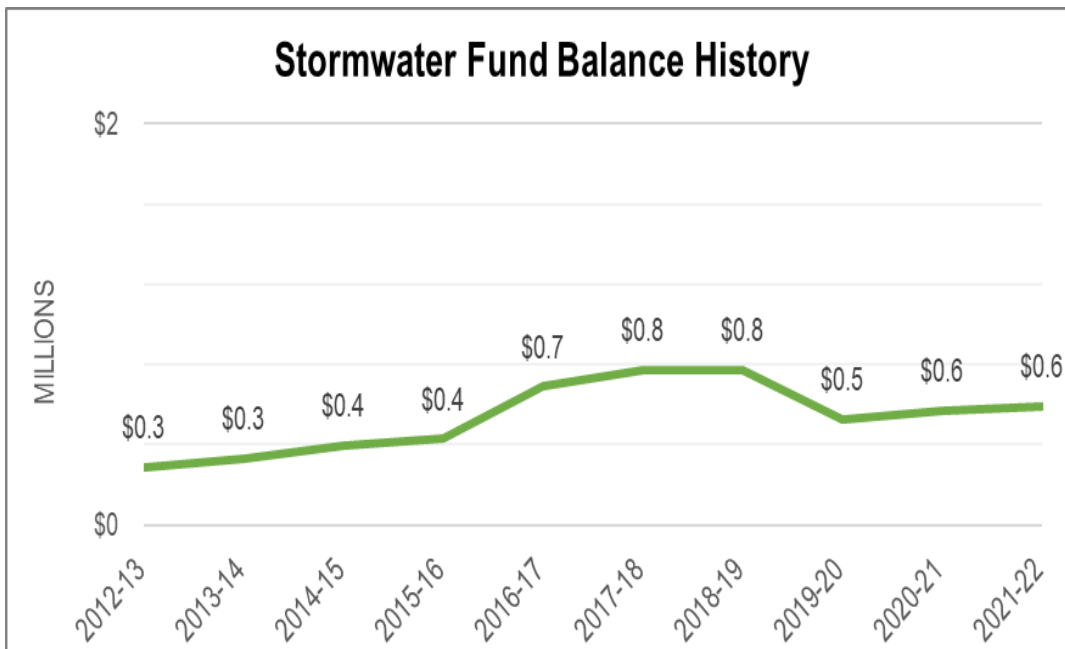
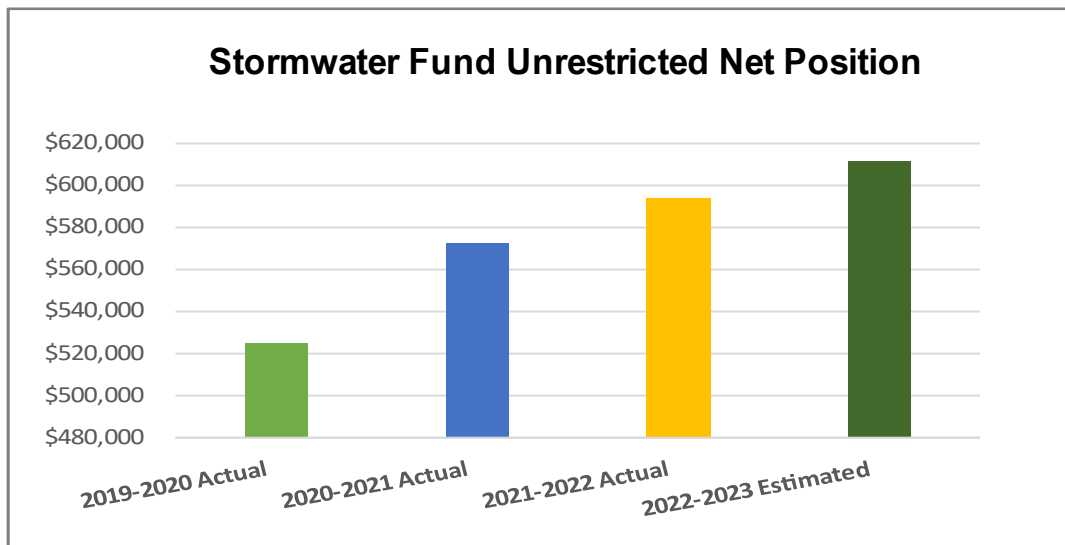


The Stormwater Fund consists of only one department.

## Unrestricted Net Position Projection

The Stormwater Fund's unrestricted net position was \$593,430 on June 30, 2022. The unrestricted net position of the Stormwater Fund is expected to be \$611,396 going into FY2023-2024.

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Stormwater Fund	524,234	572,016	593,430	611,396
Dollar Change	2,916	47,782	21,414	17,966
Percent Change	0%	9%	4%	3%





# Stormwater Division



The Stormwater Fund was presented for the first time in the FY 2007-2008 budget document. The City continues their efforts in the process of developing recommendations related to the implementation of new federal stormwater mandates. However, in order to gain a greater understanding of the amount of money the City is spending related to stormwater activities, we began tracking expenses in this area in FY 2007-2008. The Stormwater Division is located on the second floor of the municipal building. The Stormwater Engineer works with the Engineering Division staff to provide engineering services related to the City's storm drainage system, and serves as the primary contact for compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II regulations.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	109,186	105,198	109,988	4.6%
Operations	137,984	168,358	168,466	0.1%
Capital	-	-	-	0.0%
<b>Expenditure Total</b>	<b>\$ 247,170</b>	<b>\$ 273,556</b>	<b>\$ 278,454</b>	<b>1.8%</b>
<b>Per Capita</b>	<b>\$ 5.97</b>	<b>\$ 6.28</b>	<b>\$ 6.40</b>	<b>1.9%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Investment Earnings	(13,798)	-	-	0.0%
Other Financing Sources	268,962	273,556	278,454	1.8%
<b>Revenue Total</b>	<b>\$ 255,164</b>	<b>\$ 273,556</b>	<b>\$ 278,454</b>	<b>1.8%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	1	0.0%
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0.0%</b>

# Airport Fund

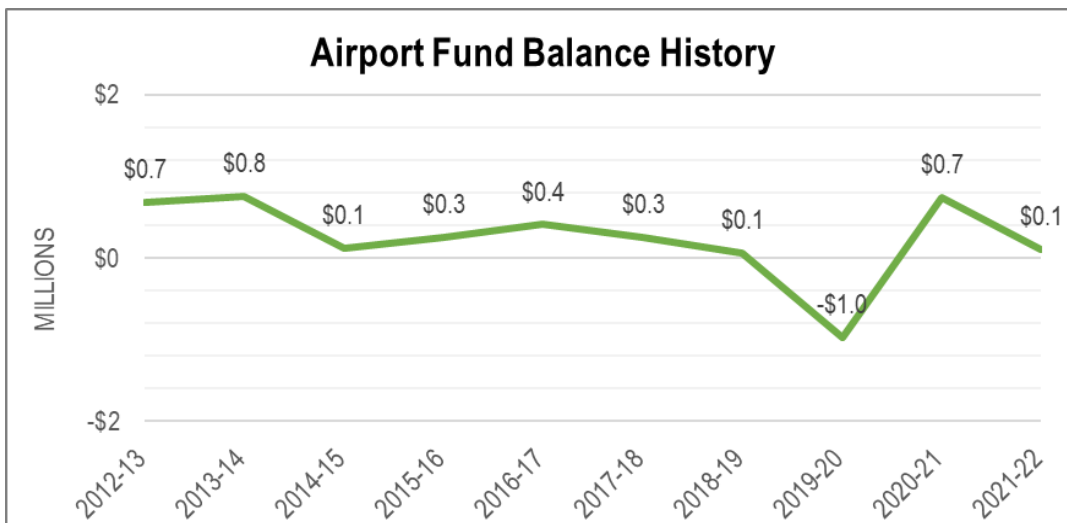
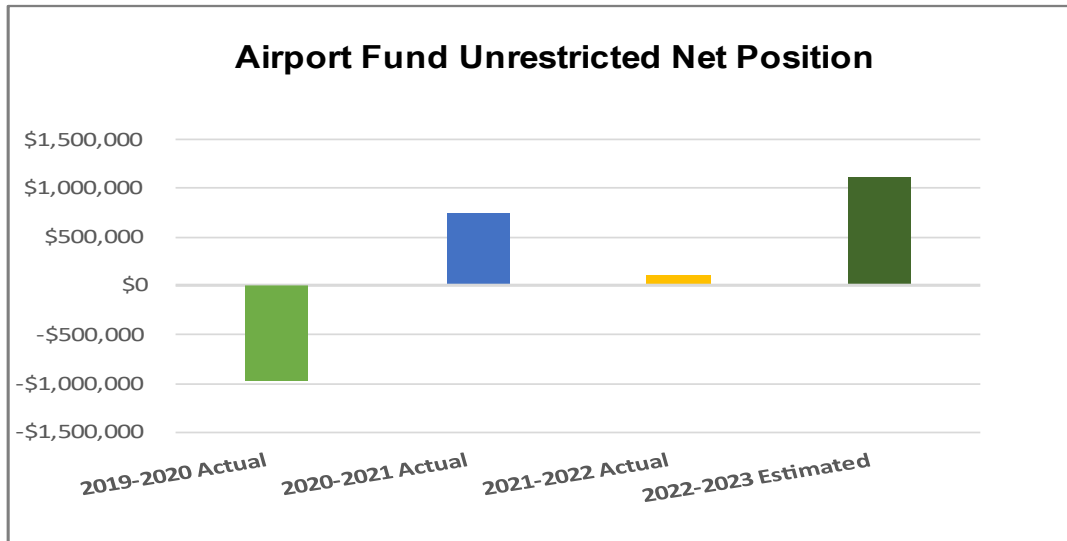


With the growth of Hickory Metro Area, no issue is more prominent than the very conduit that feeds that growth, the transportation system. The Transportation Fund includes the Hickory Regional Airport (including tower operations) and the FBO (Fixed Based Operations). The Airport Fund was established to differentiate these divisions from General Fund departments due to the intergovernmental coalitions that fund its activities in conjunction with the City of Hickory.

## Unrestricted Net Position Projection

The Airport Fund's unrestricted net position was \$103,841 on June 30, 2022. Going into FY2023-2024 the unrestricted net position of the Airport Fund is expected to be \$1,106,783. Trend information for the Airport Fund is presented below:

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Airport Fund	(969,462)	746,756	103,841	1,106,783
Dollar Change	(190,334)	1,716,218	(642,915)	1,002,942
Percent Change	-75%	177%	-86%	966%



Additional Information about the Airport may be obtained by calling Terry Clark, Airport Manager, at 828.323.7408 or [tclark@hickorync.gov](mailto:tclark@hickorync.gov)

## Functional Area: Transportation

### Mission Statement

Ensure the Hickory Regional Airport is managed in a safe and efficient manner consistent with federal, state and local laws and regulations and to ensure the airport meets the current and future needs of the aviation public.

### 2022/2023 Accomplishments:

- Successful Part 139 Certification Inspection.
- Continued Progress on Various NCDOT Grant Projects.
- Began Comprehensive Update to Airport Certification Manual.
- Approval from FAA on new Airport Museum/CVV Hangar.
- Installed new HVAC system in Commercial Terminal Building.
- Closure of Runway 1-19 for economic development.

### 2023/2024 Goals and Objectives:

- **Goal:** Continue to maintain Airport infrastructure.
  - **Objective:** To position and ready the Airport for future commercial air service.
- **Goal:** Explore T-hanger construction on airfield.
  - **Objective:** To increase revenues and economic growth.
- **Goal:** Increase aircraft operations.
  - **Objective:** To position the airport for expansion of improvement projects using Grant funds.
- **Goal:** Update Conference Room with media equipment and furniture.
  - **Objective:** To utilize Airport's full potential to attract business/aviation development & increase revenues.
- **Goal:** EMAS Design and Construction.
  - **Objective:** To reduce the severity of the consequences of a runway excursion.
- **Goal:** Update Airfield Signage and Repaint Taxiway and fill cracks.
  - **Objective:** To meeting 139 Certification Criteria.
- **Goal:** Update Airport parking lot signs and markings.
  - **Objective:** Free-flow of traffic in and out of airport and parking areas.
- **Goal:** Update Cameras and Security System for Airfield.
  - **Objective:** Increase security and control access to the Airfield areas.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of airfield Inspections	730	730	730	312
<b>Efficiency</b>				
# of operations per year	29,010	30,429	34,934	36,000
<b>Effectiveness</b>				
# of airfield incursions	1	0	0	0

# Airport Division



The Airport Department is responsible for the maintenance and operation of the City's airport according to City policy and Federal Aviation Administration (FAA) regulations. The Airport Director supervises general airport operations, Airport Tower operations and the FBO (Fixed Base Operations). Promotion of the services that are offered at the Hickory Regional Airport is the responsibility of this department. The airport features commercial air service, free parking, a café, a conference room for meetings, and several car rental agencies.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	240,554	231,807	252,360	8.9%
Operations	201,640	213,625	223,894	4.8%
Capital	1,115	136,500	170,000	24.5%
Pro Rata Reimbursement	131,901	134,539	137,229	2.0%
<b>Expenditure Total</b>	<b>\$ 575,210</b>	<b>\$ 716,471</b>	<b>\$ 783,483</b>	<b>9.4%</b>
<b>Per Capita</b>	<b>\$ 13.89</b>	<b>\$ 16.44</b>	<b>\$ 18.00</b>	<b>9.5%</b>

<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Restricted Intergovernmental Revenue	10,400	58,000	108,000	86.2%
Sales and Services	51,729	45,368	56,000	23.4%
Investment Earnings	157	2,500	5,000	100.0%
Miscellaneous Revenues	3,874	-	-	0.0%
Airport Fund	509,050	610,603	614,483	0.6%
<b>Revenue Total</b>	<b>\$ 575,210</b>	<b>\$ 716,471</b>	<b>\$ 783,483</b>	<b>9.4%</b>

<b>Authorized Personnel</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	3	3	3	0.0%
Part Time	1	1	8	700.0%
Seasonal	-	-	-	0.0%
<b>Total</b>	<b>4</b>	<b>4</b>	<b>11</b>	<b>175.0%</b>

# Fixed Base Operations Division



Additional Information about the Fixed Based Operations Division may be obtained by calling Terry Clark, Airport Manager, at 828.323.7408 or [tclark@hickorync.gov](mailto:tclark@hickorync.gov)

## Functional Area: Transportation

### Mission Statement

The Hickory Regional Airport fixed based operations is dedicated in providing the best aviation fuel service and storage of aircraft possible to the aviation community while providing a safe workplace and maintaining an excellent on-time performance to meet the needs of our based and transient customers. Our staff are highly trained and experienced in airport fueling and towing operations. We are dedicated in expanding our operations while maintaining the same high level of services throughout.

### 2022/2023 Accomplishments

- Provided FBO Services to Appalachian State University Athletic Teams.
- Began construction of W5 hangar to be completed by June 2022.
- NATA software purchased for line services, fire training, safety, quality control and CSR.
- Purchase of 12 new T-Hangar Structures to be located on North Ramp.
- Purchase and implantation of new FBO Operation Software.
- Completed 12,000 square foot hangar located on West Ramp.

### 2023/2024 Goals and Objectives

- **Goal:** Continue to provide aviation fuels at the lowest, most competitive prices possible.
  - **Objective:** To increase fuel sales revenue and base customers.
- **Goal:** Continue to provide professional and well-trained Line Crew Technicians and outstanding customer service.
  - **Objective:** To be recognized as an exemplary FBO in the aviation community.
- **Goal:** Increase our base customer numbers.
  - **Objective:** To increase revenues, i.e. fuel sales, hangar rent & property tax revenues.
- **Goal:** Continue to procure specialized aviation equipment, i.e. tugs, loading/unloading equipment.
  - **Objective:** To provide specialized services with quality equipment to support the customer's needs.
- **Goal:** Continue to maintain and update FBO building and hangars as needed.
  - **Objective:** To increase economic interest and growth.
- **Goal:** Renovation of FBO Customer Service Counter.
  - **Objective:** To replace front counter to improve functionality and appearance for our customers and staff.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Gallons of aviation fuel sold at Airport	743,786	788,138	625,000	697,139
# of based aircraft	82	89	95	107
<b>Efficiency</b>				
# of aircraft fueled	5,547	5,960	5,700	5,980
<b>Effectiveness</b>				
Value of based aircraft (annual)	40,973,612	62,503,612	56,956,250	100,534,750

# Fixed Base Operations Division



Fixed Based Operations is a division of the Hickory Regional Airport. The City of Hickory assumed Fixed Based Operations at the Airport in December 2011, and the revenue and expenses associated with that operation continue to be included as its own cost center in this year's budget.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	551,696	504,077	647,336	28.4%
Operations	321,508	310,172	329,533	6.2%
Capital	(711)	186,500	260,000	39.4%
<b>Expenditure Total</b>	<b>\$ 872,493</b>	<b>\$ 1,000,749</b>	<b>\$ 1,236,869</b>	<b>23.6%</b>
<b>Per Capita</b>	<b>\$ 21.07</b>	<b>\$ 22.96</b>	<b>\$ 28.41</b>	<b>23.7%</b>

<b>Revenues by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	1,757,221	1,561,352	1,801,352	15.4%
Airport Fund	(884,728)	(560,603)	(564,483)	0.7%
<b>Revenue Total</b>	<b>\$ 872,493</b>	<b>\$ 1,000,749</b>	<b>\$ 1,236,869</b>	<b>23.6%</b>

<b>Authorized Personnel</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	10	10	10	0.0%
Part Time	2	2	1	-50.0%
<b>Total</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>-8.3%</b>

# Solid Waste Fund

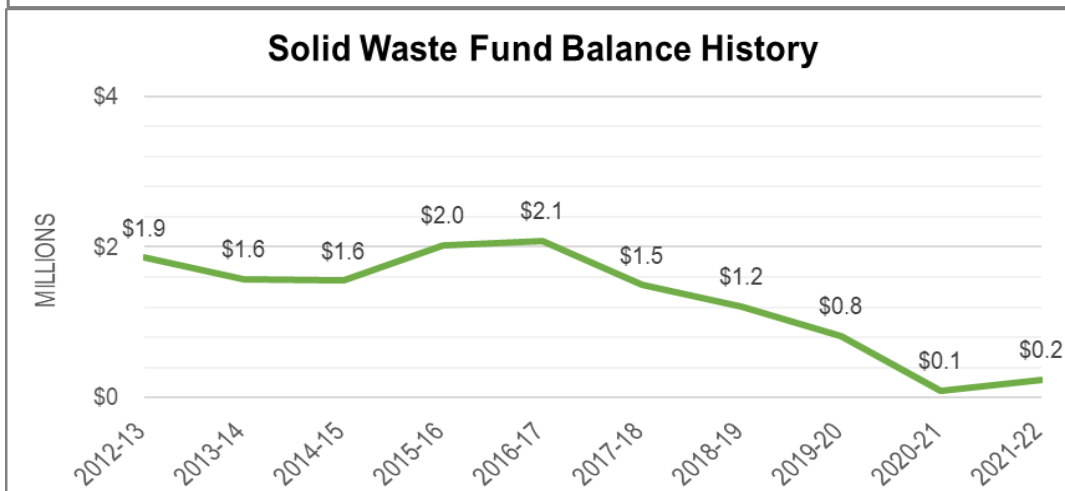
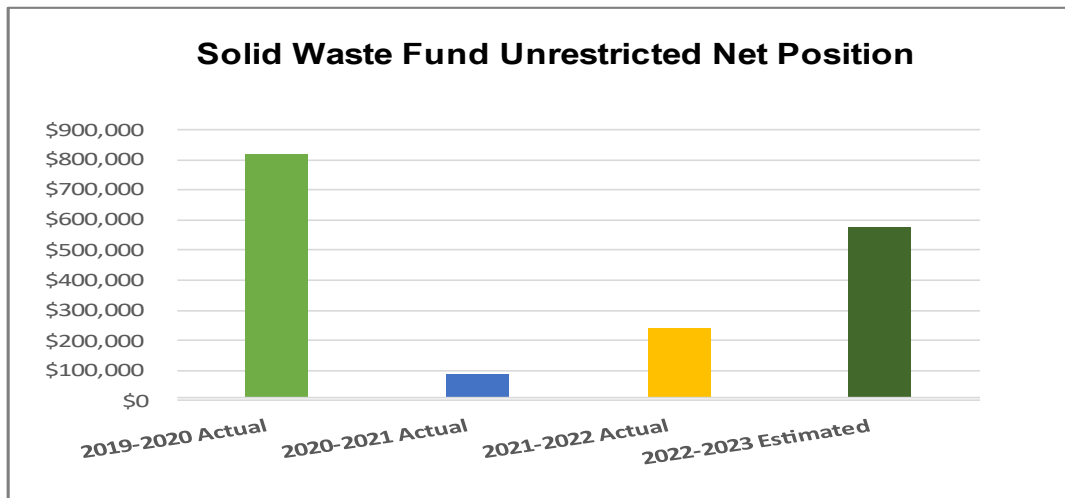


The Solid Waste Fund accounts for the City’s recycling operations, as well as commercial and residential sanitation services. This fund is considered an Enterprise Fund because it generates revenues through sales and services to support operations.

## Unrestricted Net Position Projection

The unrestricted net position of the Solid Waste Fund was \$241,465 on June 30, 2022. Going into FY2023-2024, the unrestricted net position of the Solid Waste Fund is expected to be \$576,939. The fund’s income is derived primarily from user fees for commercial bulk services, residential service, and recycling fees. In previous years, the General Fund had also contributed operating funds to Solid Waste, with the goal of steering the Solid Waste Fund towards a one hundred percent (100%) self-sustaining status. FY 2023-24 marks the fifth consecutive year where the General Fund will *not* provide a financial contribution to the Solid Waste Fund. Trend information related to the Solid Waste Fund retained earnings is presented below:

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Solid Waste Fund	820,703	85,588	241,465	576,939
Dollar Change	(279,571)	(735,115)	155,877	335,474
Percent Change	-19%	-90%	182%	139%



# Recycling Division



Additional Information about the Recycling Division may be obtained by calling Andrew Ballentine, Solid Waste Manager, at 828.323.7439 or [aballentine@hickorync.gov](mailto:aballentine@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To provide quality and timely waste reduction services to residential and business customers in order to continue to meet North Carolina's Solid Waste Management Act and to reduce Hickory's landfill waste.

### 2022/2023 Accomplishments

- 208,342 recycling rollouts were emptied in our Residential Single Stream Program resulting in over 5.3 million pounds of recyclable material.
- We have maintained our enhanced single stream recycling tonnage in our Residential Service and Business Service.
- Yard Waste picked up over 14 million pounds.
- Our Grapple Truck picked up over 6 million pounds of yard waste.
- Our Leaf Crews picked up over 7 million pounds of leaves.

### 2023/2024 Goals and Objectives

- **Goal:** Continue to educate residents and business about clean recycling opportunities available to them.
  - **Objective:** Use media, Door hangers and other informational opportunities.
- **Goal:** Improve recycling in our community through education and explaining benefits for their location by clean recycling, reducing, and reusing.
  - **Objective:** Use media, educational videos, Door hangers, direct contact and other informational opportunities.
- **Goal:** Continue to revitalize recycling programs throughout School System within the city.
  - **Objective:** Partner with schools to help expand the recycling efforts and education, demonstrating the benefits of recycling, repurposing and reusing material to protect and keep our community beautiful.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Tons of curbside recyclables collected	3104	2,667	2,653	2800
# of curbside collection points	12200	12200	12200	12800
<b>Efficiency</b>				
Direct cost per ton of curbside recyclables collected (annual)	\$101.73	\$120.06	\$129.14	\$126.04
Direct cost per curbside collection point (annual contract amount)	\$25.88	\$26.24	\$28.08	\$27.57
<b>Effectiveness</b>				
% of residential solid waste diverted by curbside program	21.5%	19.25%	22.5%	24%



# Recycling Division



The City of Hickory has an integrated waste reduction and recycling program in place. Services are provided curbside for the collection of appliances, yard waste, newspaper, catalogs and magazines as well as glass, plastic, and metal food and drink containers. The City also has two drop off recycling convenience centers for the public to use for the disposal of old corrugated cardboard, newspaper, plastic and all colors of food and drink glass bottling. The City has a permitted Yard Waste Composting Facility where mulch and compost is made from the collected yard waste. State law requires restaurants and bars with ABC permits to recycle. The Recycling Division is part of the City's enterprise Solid Waste Fund.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	833,750	834,998	862,474	3.3%
Operations	1,909,044	2,102,986	2,219,502	5.5%
Capital	-	696,399	1,183,000	69.9%
Pro Rata Reimbursement	527,932	538,491	549,260	2.0%
<b>Expenditure Total</b>	<b>\$ 3,270,726</b>	<b>\$ 4,172,874</b>	<b>\$ 4,814,236</b>	<b>15.4%</b>
<b>Per Capita</b>	<b>\$ 78.99</b>	<b>\$ 95.76</b>	<b>\$ 110.59</b>	<b>15.5%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Other Taxes	11,610,325	14,333	17,314	20.8%
Sales and Services	3,366,441	2,980,534	3,943,769	32.3%
Investment Earnings	(23,121)	2,389	11,543	383.2%
Miscellaneous	74,848	956	1,154	20.7%
Other Financing Sources	-	151,735	552,370	264.0%
<b>Revenue Total</b>	<b>\$ 15,028,493</b>	<b>\$ 3,149,947</b>	<b>\$ 4,526,151</b>	<b>43.7%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	13	13	13	0.0%
Part Time	1	1	1	0.0%
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0.0%</b>

# Sanitation Division



Additional Information about the Recycling Division may be obtained by calling Andrew Ballentine, Solid Waste Manager, at 828.323.7439 or [aballentine@hickorync.gov](mailto:aballentine@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To provide customers with a healthy and a sanitary environment through the collection, disposal and recycling of solid waste in the most productive manner while meeting the requirements of the North Carolina Solid Waste Management Act.

### 2022/2023 Accomplishments

- The Residential Division handled over 635,000 rollouts resulting in nearly 21 million pounds of residential waste being collected.
- The Rear Packer Trucks loaded nearly 6 million pounds of garbage/junk by hand.

### 2023/2024 Goals and Objectives

- **Goal:** Reduce vehicle maintenance and repair expenses by 5%.
  - **Objective:** Reduce vehicle maintenance and repair expenses by continuing to drive the importance of maintenance programs to ensure vehicles are properly maintained through training and inspection.
- **Goal:** Operational Efficiency of the Sanitation Division.
  - **Objective:** Track expenses quarterly through spreadsheet analysis and adjusting operations real-time.
- **Goal:** Continue to educate the public regarding proper disposal methods for solid waste.
  - **Objective:** Continue to utilize personal contact, various media platforms, Snippets, Door hangers and other informational opportunities to increase and educate our customer base.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Tons collected per 1,000 population	288.52	345.47	254.90	296.30
Tons per 1,000 collection points	945.97	1,132.68	835.66	971.44
<b>Efficiency</b>				
Direct cost per ton collected (annual)	\$29.56	\$24.13	\$30.63	\$28.11
Direct cost per collection point (annual)	\$27.96	\$27.33	\$25.59	\$27.00
<b>Effectiveness</b>				
Repeated collection points per 1,000 population	.01%	%.01	%.01	.01

# Sanitation Division



This division manages routine garbage pickup in addition to several other waste removal services. Regular yard waste, such as leaves, grass clippings, and shrubbery trimmings, are collected curbside weekly on the same day as residential garbage pickup. Additional assistance is available for citizens with disabilities. A special pickup is available on Tuesdays and Thursdays for items such as appliances, furniture, yard waste, and bulky tree debris. Curbside leaf collections occur in the fall, and residents are notified in advance through the local media. Due to the City operating leaf vacuum trucks, the citizens do not need to bag their leaves for collection.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	611,146	712,329	776,027	8.9%
Operations	458,001	429,467	460,395	7.2%
Capital	8,190	362,000	400,000	10.5%
<b>Expenditure Total</b>	<b>\$ 1,077,337</b>	<b>\$ 1,503,796</b>	<b>\$ 1,636,422</b>	<b>8.8%</b>
<b>Per Capita</b>	<b>\$ 26.02</b>	<b>\$ 34.51</b>	<b>\$ 37.59</b>	<b>8.9%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Other Taxes	4,977,387	7,336	6,643	-9.4%
Sales and Services	1,443,205	1,525,575	1,513,179	-0.8%
Investment Earnings	(9,912)	1,223	4,429	262.1%
Miscellaneous	32,088	489	443	-9.4%
Other Financing Sources	-	77,665	211,938	172.9%
<b>Revenue Total</b>	<b>\$ 6,442,768</b>	<b>\$ 1,612,288</b>	<b>\$ 1,736,632</b>	<b>7.7%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	12	12	12	0.0%
<b>Total</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>0.0%</b>

# Commercial Bulk Services Division



Additional Information about the Recycling Division may be obtained by calling Andrew Ballentine, Solid Waste Manager, at 828.323.7439 or [aballentine@hickorync.gov](mailto:aballentine@hickorync.gov)

## Functional Area: Environmental Protection

### Mission Statement

To provide customers with a commercial bulk service, meeting customers' requirements and performed in a cost efficient manner for the city.

### 2022/2023 Accomplishments

- We have approximately 1,250 dumpster boxes in use by our customers.
- We collected over 14,400.00 tons of commercial waste.
- To date in this fiscal year we have gained 45 new customers overall which translates into a 3% increase in our customer base thus far.

### 2023/2024 Goals and Objectives

- **Goal:** Increase customer base
  - **Objective:** Increase our customer base through advertising and promoting the services available through the City of Hickory through various means from media platforms, internal departments and personal contact.
- **Goal:** Operational efficiency of the Commercial Bulk Division.
  - **Objective:** To continue to investigate our operation to maximize efficiency and minimize cost through the use of technology.
- **Goal:** Continue to educate the private sector businesses regarding proper disposal methods for solid waste.
  - **Objective:** Continue to utilize personal contact, educational videos, media, Snippets, Door Hangers, individual audits and other informational opportunities to increase and educate our customer base.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
# of boxes serviced per route	94	97	98	101
<b>Efficiency</b>				
Direct cost per ton collected	\$26.75	\$24.78	\$28.10	\$26.54
<b>Effectiveness</b>				
# of new permanent accounts	37	45	13	60

# Commercial Bulk Services Division



To better provide solid waste collection to commercial waste generators, the City of Hickory provides dumpster service for a fee. Currently, Hickory services nearly 1,500 dumpsters per week, averaging over 100 boxes per route. The Commercial Bulk Collection Division operates as part of the enterprise Solid Waste Fund, whereby user fees support the operation of the service.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	601,522	664,542	715,165	7.6%
Operations	536,979	557,363	606,508	8.8%
Capital	-	266,000	3,500	-98.7%
Pro Rata Reimbursement	(65,760)	(94,838)	(96,733)	2.0%
<b>Expenditure Total</b>	<b>\$ 1,072,741</b>	<b>\$ 1,393,067</b>	<b>\$ 1,228,440</b>	<b>-11.8%</b>
<b>Per Capita</b>	<b>\$ 25.91</b>	<b>\$ 31.97</b>	<b>\$ 28.22</b>	<b>-11.7%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Other Taxes	4,876,978	7,259	5,380	-25.9%
Sales and Services	1,414,091	1,509,454	1,225,371	-18.8%
Investment Earnings	(9,712)	1,210	3,586	196.4%
Miscellaneous	31,440	484	359	-25.8%
Other Financing Sources	-	76,884	171,627	123.2%
<b>Revenue Total</b>	<b>\$ 6,312,797</b>	<b>\$ 1,595,291</b>	<b>\$ 1,406,323</b>	<b>-11.8%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	11	11	11	0.0%
<b>Total</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>0.0%</b>

# Board & Agency Funding



The City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the City's revenue base, or provide a necessary service that the City itself does not currently provide. To qualify for this type of funding, an organization must generally: a) be non-profit with a policy of non-discrimination, and; b) submit multi-year plans, audited financial records and a Board of Directors roster.

<b>Special Appropriations by Functional Area</b>	<b>2020-2021 Actual</b>	<b>2021-2022 Actual</b>	<b>2022-2023 Budgeted</b>	<b>2023-2024 Budgeted</b>	<b>Percent Change</b>
<b>Environmental Protection</b>					
Catawba County EDC	42,862	43,941	43,941	46,832	6.6%
Habitat for Humanity	16,638	0	25,398	29,843	17.5%
Western Piedmont Council of Governments	6,422	6,462	6,463	7,577	17.2%
<b>Total</b>	<b>65,922</b>	<b>50,403</b>	<b>75,802</b>	<b>84,252</b>	<b>11.1%</b>

# Enterprise Debt Fund Service



<b>Water and Sewer Fund Debt</b>	2020-2021	2021-2022	2022-2023	2023-2024	Percent
	Actual	Actual	Budgeted	Budgeted	Change
<b>NC Revolving Loan</b>					
Cripple Creek	40,058	40,057	40,058	40,058	0.0%
Interest	386,360	193,466	227,358	352,327	55.0%
Geitner Basin	119,821	149,018	163,617	163,617	0.0%
Central Business District Sewer	68,205	68,205	68,205	68,205	0.0%
Northeast Plant	875,000	940,000	910,000	910,000	0.0%
Murray Basin	0	0	0	259,135	100.0%
<i>Subtotal</i>	<b>1,489,444</b>	<b>1,390,746</b>	<b>1,409,238</b>	<b>1,793,342</b>	<b>27.3%</b>
<b>Installment Purchases</b>					
Henry Fork Sewer	475,000	475,000	475,000	475,000	0.0%
Hickory-Catawba Wastewater Treatment Plant	656,872	671,868	687,206	702,894	2.3%
Interest	154,721	136,596	117,042	93,421	-20.2%
Maiden Waterline	369,045	0	0	0	0.0%
<i>Subtotal</i>	<b>1,655,638</b>	<b>1,283,464</b>	<b>1,279,248</b>	<b>1,271,315</b>	<b>-0.6%</b>
<b>Total</b>	<b>3,145,082</b>	<b>2,674,210</b>	<b>2,688,486</b>	<b>3,064,657</b>	<b>14.0%</b>
<b>Solid Waste Fund Debt</b>					
	2020-2021	2021-2022	2022-2023	2023-2024	Percent
	Actual	Actual	Budgeted	Budgeted	Change
<b>Installment Purchases</b>					
Replacement of four (4) Solid Waste vehicles	70,731	169,755	169,755	113,170	-33.3%
<b>Solid Waste Fund Total</b>	<b>70,731</b>	<b>169,755</b>	<b>169,755</b>	<b>113,170</b>	<b>-33.3%</b>

# Transfers/Other Financing Uses



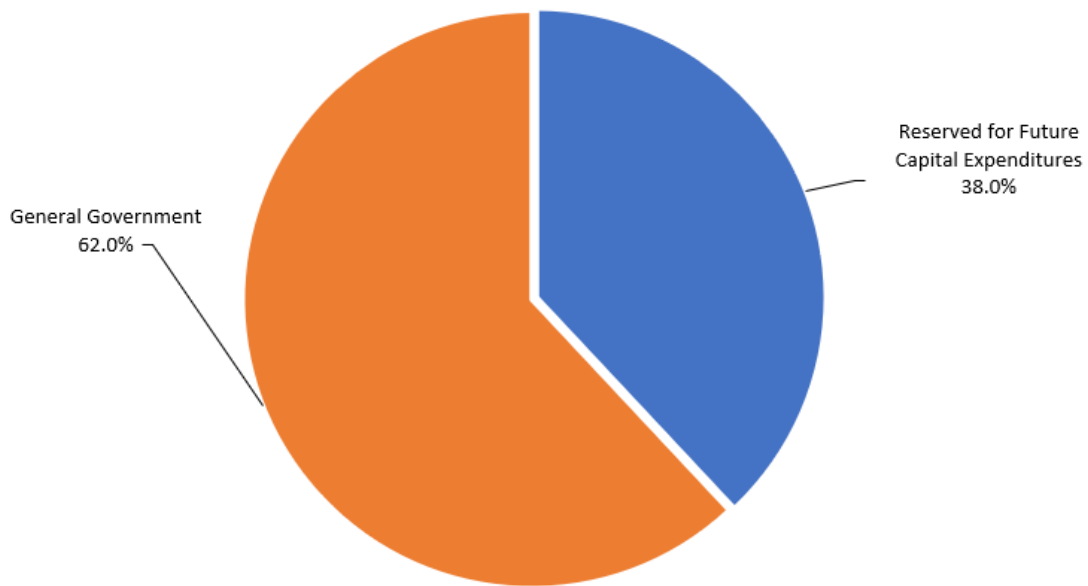
<b>Transfers from Water and Sewer Fund</b>	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Capital Reserve Fund	1,140,000	1,340,000	1,340,000	1,340,000	0.0%
General Capital Project	3,663,605	2,014,949	0	0	0.0%
General Fund	14,000	0	0	0	0.0%
Insurance Fund	0	0	0	0	0.0%
Sludge Composting Fund	0	0	0	0	0.0%
Stormwater Fund	127,298	132,931	132,931	139,227	4.7%
Water and Sewer Capital Projects Fund	718,000	5,247,583	0	0	0.0%
Water and Sewer Capital Reserve Fund	757,259	515,103	865,643	1,145,817	32.4%
<b>Total</b>	<b>6,420,162</b>	<b>9,250,566</b>	<b>2,338,574</b>	<b>2,625,044</b>	<b>12.2%</b>
<b>Transfer from Transportation Fund</b>	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Enterprise Capital Project	1,172,808	1,475,160	0	0	0.0%
<b>Total</b>	<b>1,172,808</b>	<b>1,475,160</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Transfers from Solid Waste Fund</b>	2020-2021 Actual	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Insurance Fund	0	0	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>



# Other Funds

The City of Hickory has four funds that serve special purposes. These “Other Funds” include the Fleet Maintenance Fund, the Insurance Fund, the Capital Reserve Fund and the *Community Development Block Grant* (CDBG) Fund. The Fleet Maintenance and Insurance Funds are internal service funds, which are used to consolidate financial activities associated with these programs, providing management with improved information about program results. The Capital Reserve Fund is set up to reserve funds for future capital expenditures. The CDBG Fund, which is technically a grant fund, administers housing funds allocated by the United States Department of Housing and Urban Development. Descriptions of these funds follow. The CDBG Ordinance can be found in the Budget Ordinance section of the book.

**Other Fund Expenditures By Functional Area**

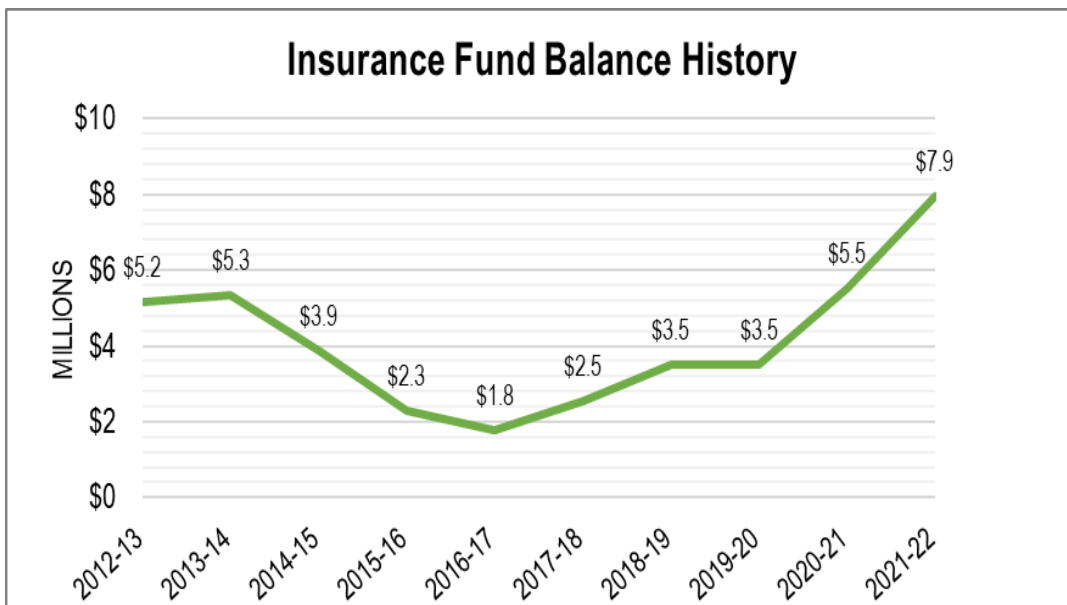
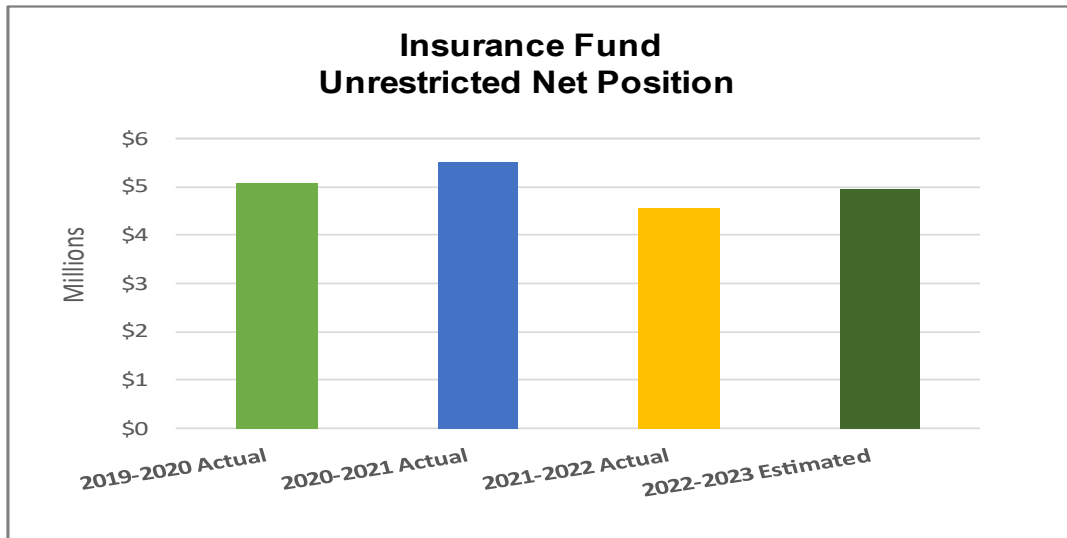


# Insurance Fund

## Insurance Fund Unrestricted Net Position Projection

The Insurance Fund was added to the budget in FY1999-2000 and accounts for all the insurance and risk management activities of the City. As of June 30, 2022, the unrestricted net position of this fund was \$4,559,809. Going into FY2023-2024, the unrestricted net position of this fund is estimated to be \$4,961,967. The fiscal health of this fund is primarily determined by the City's experience with health insurance, property liability, and workers' compensation costs during the year. For greater context given the importance of this issue in contemporary times, a 10-year history is also included below.

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Insurance Fund	5,071,066	5,510,197	4,559,809	4,961,967
Dollar Change	1,555,260	439,131	(950,388)	402,158
Percent Change	44%	9%	-17%	9%



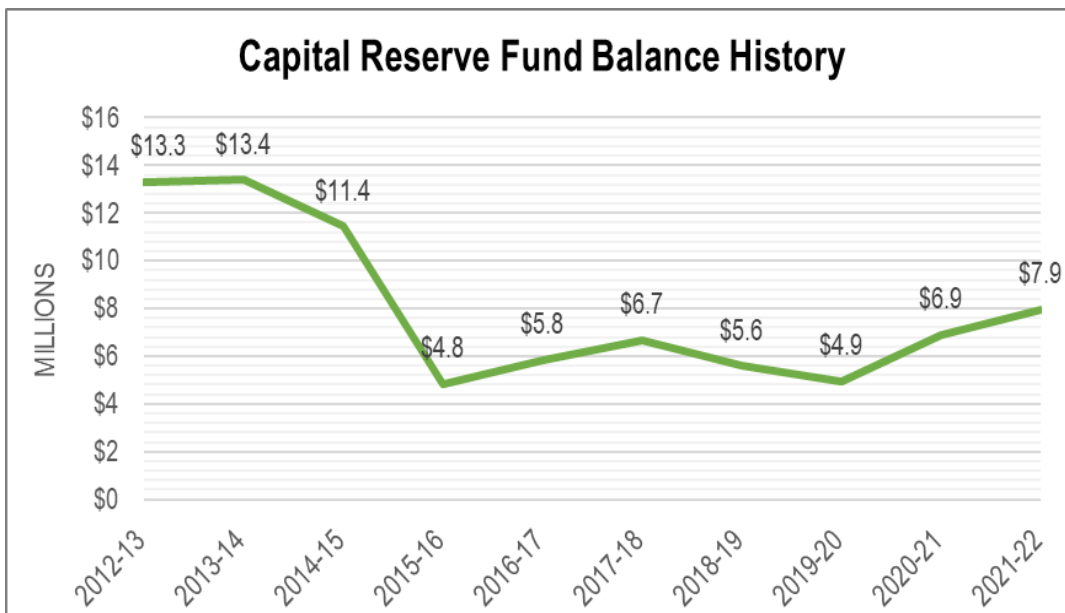
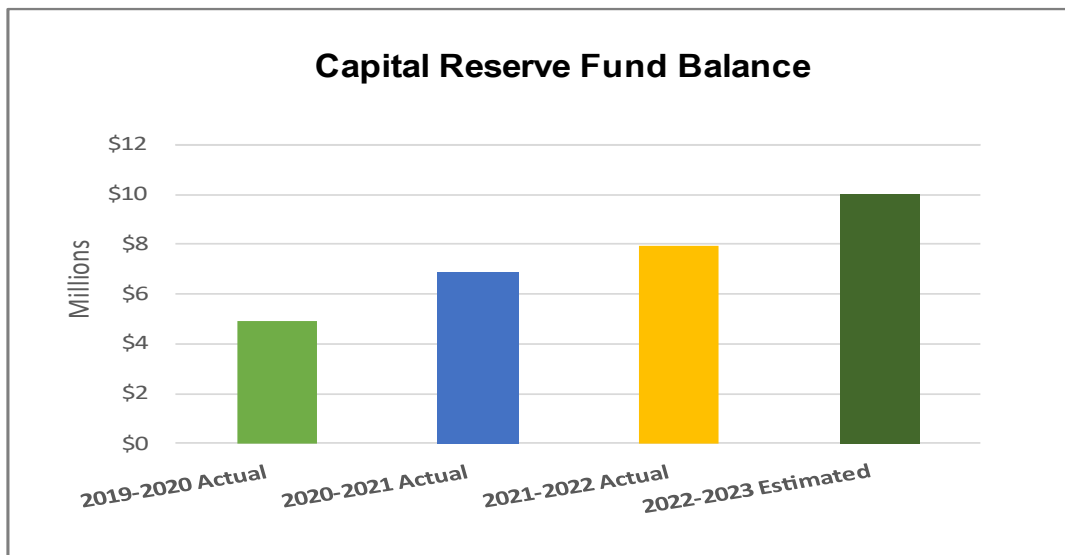
# Capital Reserve Fund



## Capital Reserve Fund Balance

The Capital Reserve Fund includes funds set aside for future capital projects and equipment purchases. This fund's dollars are set aside into specific categories including Right-of-Way Acquisition, Future Parking, General Capital Reserve, General Water and Sewer Reserve, Water Plant Reserve, and District Court. The fund balance of the Capital Reserve Fund totaled \$7,934,945 at June 30, 2022. Going into FY2023-2024, the Capital Reserve Fund Balance is expected to be \$9,992,448.

Capital Reserve Fund Balance	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Capital Reserve	4,925,613	6,888,222	7,934,945	9,992,448
Dollar Change	(1,082,093)	1,962,609	1,046,723	2,057,503
Percent Change	-16%	40%	15%	26%



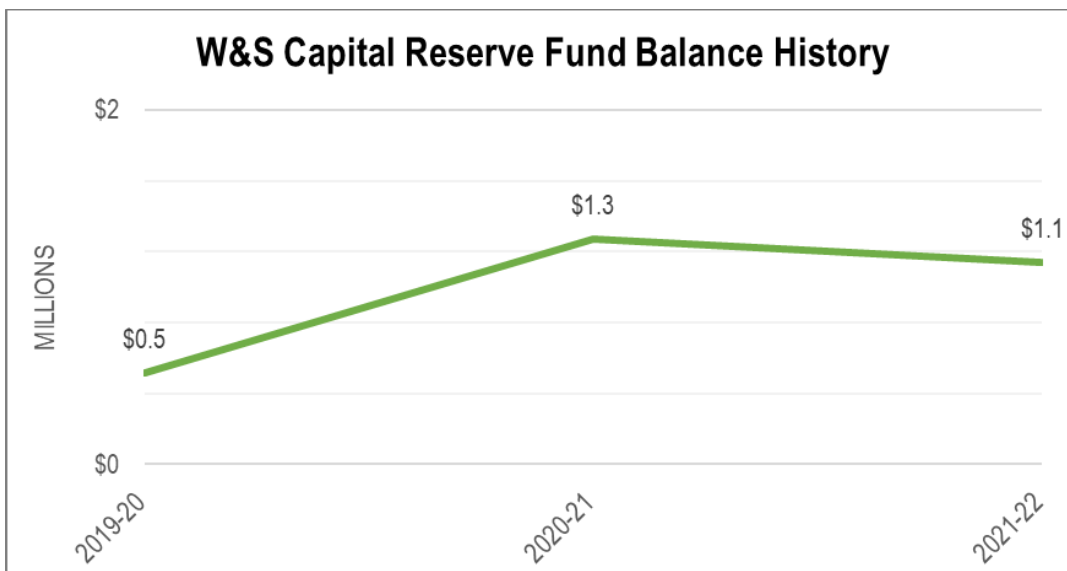
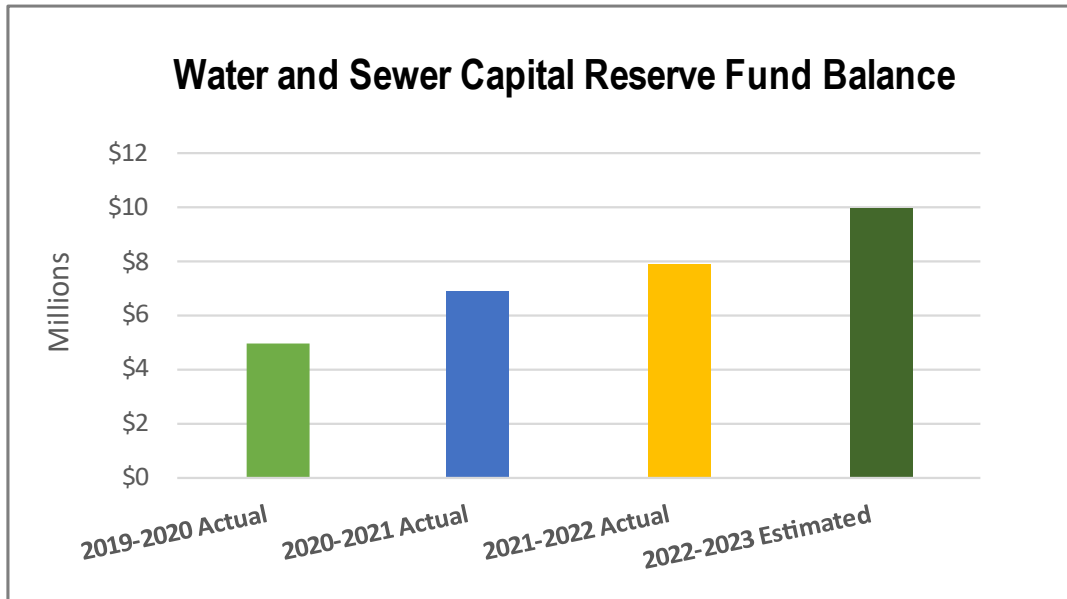
# Water & Sewer Capital Reserve Fund



## Water and Sewer Capital Reserve Fund Balance

The Water and Sewer Capital Reserve Fund includes funds set aside for future Water and Sewer capital projects. These funds are specifically designated for capacity related improvements according to state statutes. The fund balance of the Water and Sewer Capital Reserve Fund totaled \$7,934,945 at June 30, 2022. Going into FY2023-2024, the Capital Reserve Fund Balance is expected to be \$9,992,448.

Water and Sewer Capital Reserve Fund Balance	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Capital Reserve	4,925,613	6,888,222	7,934,945	9,992,448
Dollar Change	(1,082,093)	1,962,609	1,046,723	2,057,503
Percent Change	-16%	40%	15%	26%



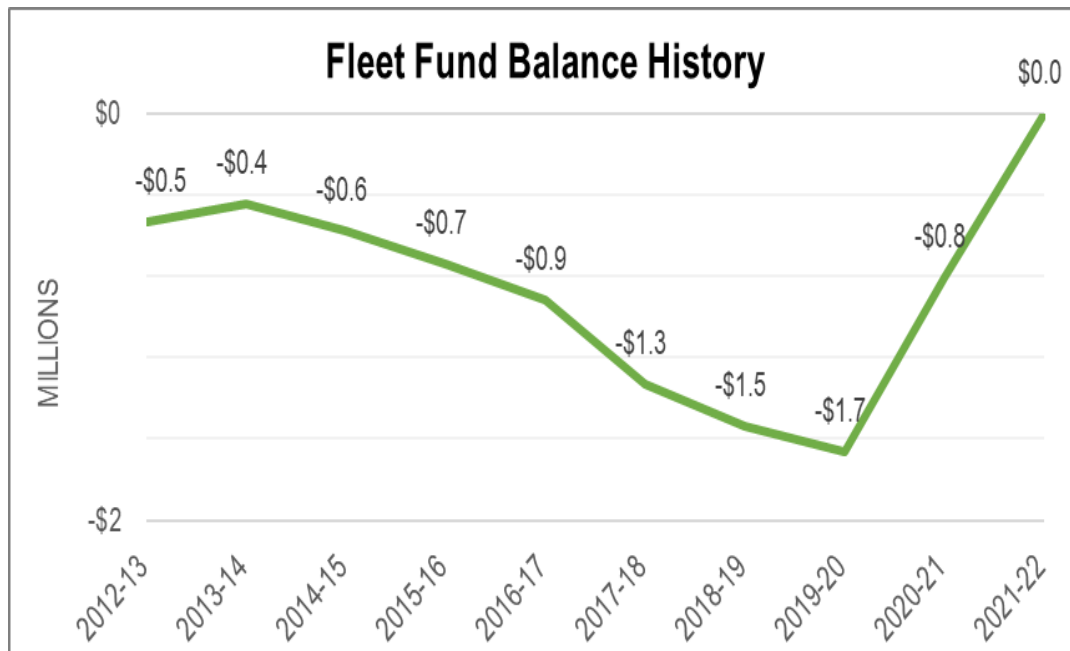
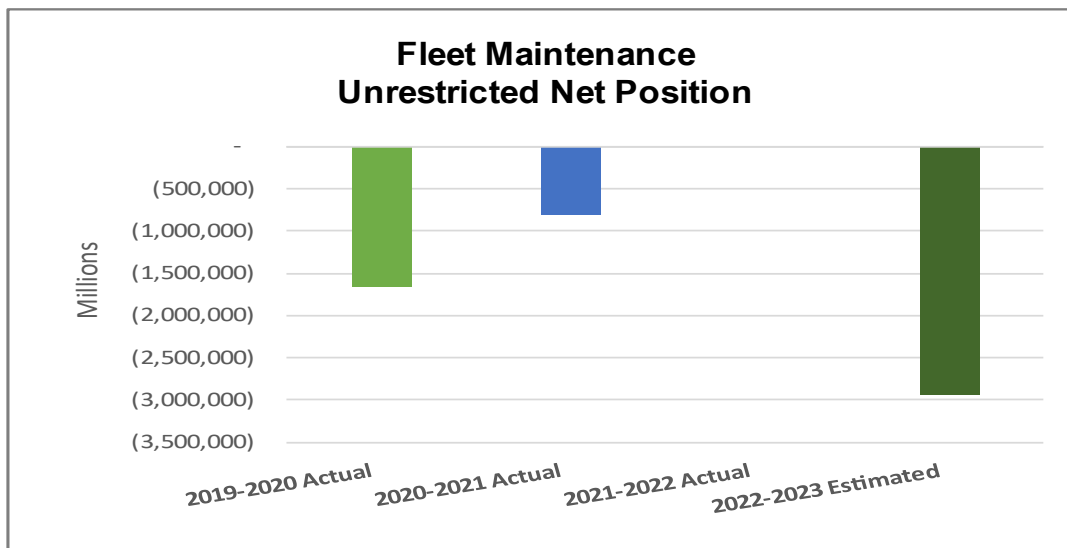
# Fleet Maintenance Fund



## Fleet Maintenance Fund Unrestricted Net Position Projection

The Fleet Maintenance Fund was added to the budget in FY1998-1999. This fund provides vehicle and equipment maintenance services to all City departments and divisions and charges them for those services. As of June 30, 2022, the unrestricted net position of the Fleet Maintenance Fund was \$0. Entering FY2023-2024, the unrestricted net position of the Fleet Maintenance Fund is projected to be (\$2,938,124).

Unrestricted Net Position	2019-2020 Actual	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated
Fleet Maintenance Fund	(1,663,090)	(805,455)	-	(2,938,124)
Dollar Change	(205,864)	857,635	805,455	(2,938,124)
Percent Change	-15%	52%	100%	-100%



# Fleet Maintenance Division



Additional Information about the Public Services Fleet Maintenance Division may be obtained by calling Brad Abernathy, Fleet Services Manager, at 828.323.7575 or [babernathy@hickorync.gov](mailto:babernathy@hickorync.gov)

## Functional Area: General Government

### Mission Statement

To meet the needs of internal and external (vendors) customers with respect and courtesy while conserving the value of the vehicles and equipment in an efficient and cost-effective manner.

### 2022/2023 Accomplishments

- 92% of Capital has been completed. The other 8% has been ordered.
- Fleet was able to find a qualified mechanic, so fleet is fully staffed.
- Adding a Non-Ethanol fueling station for small equipment has made a difference on small engine maintenance. It's better for the motors during the off season because it is cleaner fuel.
- Fleet has completed a remodel of Training / Break room.
- Installed a new FUELMaster FMLIVE System on our Fuel Island (replacing a 22-year-old system).

### 2023/2024 Goals and Objectives

- **Goal:** Training for Mechanics.
  - **Objective:** New equipment and vehicles are being made every year. It's important that we get training, so we are equipped for new items.
- **Goal:** Continue learning about alternative fuels and Engine oils.
  - **Objective:** Familiarize techs and staff on these new engines that take different types of engine oil.
- **Goal:** Implement a quick lane in the Garage.
  - **Objective:** The quick lane would be used for small jobs. Example: Bulbs in headlights or signal lights, plug tires, wiper blades. Jobs that can be done very quickly and so trucks and equipment have less down time.

Performance Measures	2020-2021 Actual	2021-2022 Actual	2022-2023 Estimated	2023-2024 Goal
<b>Work Load</b>				
Total job orders completed	4,958	4,191	3,986	4,000
<b>Efficiency</b>				
Job orders per mechanic	750	838	797	700
<b>Effectiveness</b>				
Unscheduled repairs per mechanic FTE	614	604	675	600
% of repairs that are unscheduled	81%	72%	85%	75%

# Fleet Maintenance Division



The Fleet Maintenance Division is responsible for the maintenance of all City of Hickory vehicles. As the City implements cost accounting techniques, measuring the City's vehicle maintenance expenses through this fund will provide better data to manage garage services.

<b>Expenditures by Type</b>	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Personnel	671,378	755,815	841,123	11.3%
Operations	2,660,691	1,899,691	2,340,785	23.2%
Capital	23,912	73,700	90,500	22.8%
Pro Rata Reimbursement	286,034	291,756	297,590	2.0%
<b>Expenditure Total</b>	<b>3,642,015</b>	<b>3,020,962</b>	<b>3,569,998</b>	<b>18.2%</b>
<b>Per Capita</b>	<b>\$ 87.96</b>	<b>\$ 69.32</b>	<b>\$ 82.01</b>	<b>18.3%</b>
<b>Revenues by Type</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Sales and Services	3,256,217	3,020,962	3,569,998	18.2%
Miscellaneous Revenues	10,847	-	-	0.0%
Other Financing Sources	49,295	-	-	0.0%
Fleet Maintenance Fund	325,656	-	-	0.0%
<b>Revenue Total</b>	<b>3,642,015</b>	<b>3,020,962</b>	<b>3,569,998</b>	<b>18.2%</b>
<b>Authorized Personnel</b>				
	2021-2022 Actual	2022-2023 Budgeted	2023-2024 Budgeted	Percent Change
Full Time	12	12	12	0.0%
<b>Total</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>0.0%</b>

# Community Development Block Grant



Additional Information about the Community Development Block Grant may be obtained by calling Dave Leonetti, Community Development Manager, at 828.261.2227 or [dleonetti@hickorync.gov](mailto:dleonetti@hickorync.gov)

The Community Development Block Grant (CDBG) Fund was created to administer annual block grants from the United States Department of Housing and Urban Development (HUD). Hickory must use the funds for strictly defined HUD purposes, including income generated through loans made with CDBG funds. Specifically, the CDBG-eligible activities that are applicable to the City of Hickory's needs are:

- Acquisition of real property
- Disposition of real property
- Public facilities and improvements such as senior centers, neighborhood facilities, and street improvements
- Clearance and demolition
- Housing rehabilitation assistance
- Economic development
- Funding for neighborhood-based non-profit entities to accomplish neighborhood revitalization

The primary objective of the CDBG program is to develop viable urban communities by providing decent housing, creating a suitable living environment, and by expanding economic opportunities, principally for persons of low and moderate income. Hickory, which has been a CDBG Entitlement City since 1982, has long recognized the need to assist in community development. The City of Hickory completes a Consolidated Plan for Housing and Community Development every five years. This plan was most recently updated in spring 2020 for the 2020 through 2024 program years.

The City of Hickory's Community Development Office, which is part of the Planning and Development Department, is responsible for marketing the program, screening and determining project eligibility (generally based benefit to households earning less than 80% of the area median income).

The City's 2020-2024 Consolidated Plan for Housing and Community Development contains ten primary goals for the five-year Consolidated Plan:

1. **Preserve the City's Housing Stock** - Provide support for the rehabilitation and reconstruction of existing housing units to be used for owner and rental occupancy.
2. **Public Infrastructure and Facility Improvements** - Provide support for necessary improvements to public infrastructure in low to moderate income neighborhoods and provide support for necessary improvements to parks and neighborhood facilities in low to moderate income neighborhoods.
3. **Support Homeownership** – Support homeownership by providing assistance to housing counseling agencies.
4. **Provide Services to Persons Living with HIV and AIDS** - Provide funding to ensure persons living with HIV and AIDS are able to access case management services and housing services.
5. **Homelessness Services and Prevention** - Provide services to support the homelessness as well as services aimed at preventing households from becoming homeless.
6. **Youth Services** - Provide support for at risk youth to increase their chances of succeeding in academics and employment.
7. **Increase Entrepreneurship Opportunities** - Provide support to microenterprises as a means to increase economic opportunities for low and moderate income individuals.
8. **Increase Fair Housing Outreach and Awareness** - Provide support to increase awareness of fair housing rights in the community and affirmatively further fair housing.
9. **Demolish Dilapidated Structures** - Provide funding to demolish dilapidated structures to reduce blight.



# Community Development Block Grant

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## Fund Balance Projection

One of the HUD stipulations for the Community Development Block Grant Fund is that an administering agency cannot profit from the use of grant funds. A fund balance of zero is maintained by grant reimbursements to offset program expenditures less program income.

# Capital Improvements/Grant Projects

The Capital Improvements/Grant Projects portion of the budget document contains information on the following areas:

## 5 Year CIP

The 5 Year Capital Improvement Plan (CIP) is the financial plan for the purchase or construction of capital assets. The CIP contains information on the upcoming budget year as well as five planning years beyond the upcoming year.

This section contains information on equipment purchases and construction projects that are listed in the City of Hickory's 5 Year CIP. This section is intended to provide a comprehensive look at all capital purchases and capital projects greater than \$5,000 which are either taking place or scheduled to take place within the City.

As part of the CIP requests, departments are asked to include estimates of how each project may affect future operating budgets. Examples of this include any new personnel, equipment, maintenance, or operating expenses that a capital purchase or project might necessitate.

Some of the purchases or projects listed in this plan will not occur in the year listed, or may never occur. To omit them would not give the reader a full understanding of the capital needs of the City. Decisions on proceeding with the purchases or projects listed in the 5 Year CIP are ultimately made by City Council.

## Capital Projects

Capital projects are those projects which either acquire or construct an asset of a long term character such as land, buildings, improvements, machinery or equipment. Capital projects may be accounted for in any fund.

## Grant Projects

Grant projects are those projects which are funded either in full or in part by federal or state funds. These funds may be for either capital or operating purposes. Grant projects may be accounted for in any fund.

## Disclosure

*The purpose of this section is not to describe the different funds, ordinances or accounting requirements for each capital purchase or capital project as much as it is to describe the purchases and projects themselves. Therefore, you will find less continuity related to individual funds than you found earlier in this document. This is by design and is necessitated due to the broad transcending nature of the subject.*

# Capital Improvements/Grant Projects



CIP Items	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<b>General Fund</b>						
<b>Administration</b>						
Computer Replacement			\$ 3,750	\$ 5,000	\$ 6,250	
<b>Governing Body</b>						
Computer Replacement	\$ 6,500	\$ 6,250				
<b>Communications</b>						
Computer Replacements		\$ 5,000				
Laptop with Graphics package	\$ 3,700		\$ 5,400	\$ 5,400		
<b>Human Resources</b>						
Computer Replacements/Software	\$ 5,000	\$ 5,000	\$ 6,000	\$ 6,000		
Computer Equipment						
<b>Budget</b>						
Computer Replacements/Software						
<b>Risk Management</b>						
Computer Replacements						
<b>Finance</b>						
Computer Replacements/Software	\$ 14,300	\$ 9,000	\$ 10,000	\$ 12,000	\$ 10,000	
<b>Information Technology</b>						
Computer Equipment	\$ 510,000	\$ 215,000	\$ 340,000	\$ 455,000	\$ 350,000	\$ 65,000
Vehicle Replacement	\$ 35,000					
Computer Replacement	\$ 52,000	\$ 52,000	\$ 21,000			
Time Clocks		\$ 35,000				
Phone System Refresh						\$ 160,000
<b>City Clerk</b>						
Computer Replacement	\$ 1,500	\$ 2,000		\$ 2,000	\$ 2,136	
<b>Legal</b>						
Computer Replacement	\$ 2,000	\$ 3,000	\$ 2,000		\$ 1,500	
<b>Engineering</b>						
Computer Replacement	\$ 7,000	\$ 9,000	\$ 3,000	\$ 8,000	\$ 8,000	\$ 12,000
Specialized Equipment	\$ 17,500		\$ 42,500	\$ 45,000	\$ 150,000	\$ 20,000
Vehicle Replacement	\$ 42,000	\$ 35,000				\$ 40,000
Furniture						\$ 20,000
<b>Planning and Development</b>						
Computer Replacements	\$ 6,000	\$ 8,000	\$ 6,000	\$ 5,000	\$ 6,000	\$ 6,000
<b>Police Department</b>						
Building Repairs & Improvements	\$ 163,147	\$ 1,182,813	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Furniture	\$ 5,000	\$ 11,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 11,000
Viper Migration System		\$ 116,000	\$ 116,000	\$ 116,000	\$ 116,000	\$ 116,000
Specialized Equipment	\$ 36,485	\$ 50,000				
New Vehicles	\$ 847,000	\$ 784,000	\$ 784,000	\$ 784,000	\$ 784,000	\$ 784,000
Marine Unit Boat		\$ 85,000				
Taxes on Vehicles	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Computer Replacement	\$ 20,000	\$ 80,000	\$ 20,000	\$ 20,000	\$ 75,000	\$ 20,000
Rifles & Handguns	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Handheld Radios	\$ 30,000		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Computer Lease	\$ 55,000					
Tasers		\$ 45,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Cameras		\$ 20,000				
Viper System Radios		\$ 60,000				
Combat Gauze		\$ 5,000				
Drones			\$ 30,000			
Batteries for UPS System			\$ 15,000		\$ 15,000	\$ 15,000
Special Operation Team Vests					\$ 75,000	\$ 75,000

# Capital Improvements/Grant Projects



CIP Items	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<b>Fire Department</b>						
Building Repairs & Improvements	\$ 65,000	\$ 65,000	\$ 65,000		\$ 50,000	
Land Acquisition & Construction		\$ 9,250,000	\$ 750,000	\$ 9,500,000		
Furniture & Fixtures	\$ 117,000	\$ 152,000	\$ 27,000	\$ 152,000	\$ 27,000	\$ 27,000
Fitness Equipment	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
Specialized Equipment	\$ 300,000	\$ 955,000				\$ 200,000
Computer Equipment	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Vehicle Replacement		\$ 110,000	\$ 110,000	\$ 120,000	\$ 120,000	\$ 120,000
Apparatus Replacement		\$ 1,500,000	\$ 980,000		\$ 1,700,000	\$ 700,000
Personnel Equipment		\$ 130,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 330,000
Radios	\$ 35,001	\$ 45,001	\$ 45,000	\$ 45,000	\$ 50,000	\$ 50,000
<b>Building Services</b>						
Specialized Equipment	\$ 85,000	\$ 50,000	\$ 47,000	\$ 20,000	\$ 40,000	
Vehicle Replacement		\$ 180,000	\$ 55,000		\$ 46,000	\$ 46,000
Computer Replacement	\$ 4,800	\$ 3,200		\$ 5,000	\$ 3,600	
<b>Central Services</b>						
Construction		\$ 855,000	\$ 5,000			
Vehicle Replacement		\$ 40,000			\$ 45,000	
Computer Equipment	\$ 4,000	\$ 9,000	\$ 4,000		\$ 6,000	
Recorder	\$ 2,500				\$ 2,500	
Shredder		\$ 2,000				
Ice Maker		\$ 40,000				
Security Cameras		\$ 2,400				
<b>Traffic</b>						
Heat Pump		\$ 6,500				
Specialized Equipment	\$ 14,000	\$ 14,000	\$ 62,750	\$ 9,400	\$ 43,715	\$ 40,000
Traffic Equipment		\$ 77,000	\$ 38,500	\$ 390,000	\$ 103,000	\$ 46,500
Vehicle Replacement	\$ 60,000	\$ 80,000	\$ 45,000	\$ 45,000	\$ 110,000	\$ 75,000
Signal Corridor Retiming	\$ 54,500	\$ 56,000		\$ 59,500		\$ 63,500
Other Equipment		\$ 2,000	\$ 5,000	\$ 5,000	\$ 3,000	
Computer Replacement	\$ 2,500	\$ 3,500	\$ 3,000	\$ 10,000		\$ 4,000
Software		\$ 7,750		\$ 6,000	\$ 3,000	
Technology Upgrade	\$ 2,500				\$ 4,000	
Traffic Counters					\$ 5,000	\$ 6,000
<b>Street</b>						
Paving Study		\$ 45,000				
New Sidewalk Construction	\$ 180,000					
Specialized Equipment	\$ 410,000	\$ 75,000	\$ 135,000	\$ 284,100	\$ 349,000	\$ 210,000
Vehicle Replacement	\$ 305,000	\$ 614,373	\$ 375,000	\$ 90,000		\$ 350,000
Computer Equipment	\$ 2,500	\$ 2,500	\$ 11,000	\$ 2,750	\$ 2,750	
Small Waker Tamp	\$ 2,000				\$ 2,500	\$ 2,500
<b>Landscape</b>						
Cemetery Roof		\$ 20,000				
Specialized Equipment	\$ 269,500	\$ 178,100	\$ 244,800	\$ 221,000	\$ 240,850	\$ 42,000
Other Equipment	\$ 469,700	\$ 513,500	\$ 522,200	\$ 306,500	\$ 55,600	\$ 38,000
Vehicle Replacement	\$ 120,000	\$ 230,000	\$ 125,000	\$ 225,000	\$ 116,000	\$ 160,000
Greenhouse Roof						\$ 15,000
Fairbrooks Amenities						\$ 15,000
Facility Improvements	\$ 220,000					
Henry Fork Park Field		\$ 4,300,400				
Computer Replacement	\$ 5,000	\$ 8,250			\$ 2,700	
Concessions Trailer			\$ 2,500			
Park Amenities				\$ 22,629		

# Capital Improvements/Grant Projects



CIP Items	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<b>Parks and Recreation</b>						
Construction		\$ 80,000	\$ 200,000	\$ 750,000		
Rec. Equipment		\$ 7,000			\$ 75,000	
Vehicles	\$ 55,000	\$ 40,000				
Computer Replacements	\$ 4,500	\$ 7,500	\$ 6,000	\$ 7,500	\$ 9,000	\$ 10,000
Fitness Center Equip. Replacement	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 40,000
Lightning Prediction and Warning System - Stanford Pk	\$ 8,075					
Lightning Prediction and Warning System - Neil Clark			\$ 8,075			
Lighting Prediction and Warning System Kiwanis Park		\$ 8,075				
Facility Improvements	\$ 27,500	\$ 40,000	\$ 185,000		\$ 210,000	\$ 260,000
Other Equipment	\$ 20,000	\$ 14,585	\$ 40,000			
Electronic Displays			\$ 20,000			
<b>Library</b>						
Building Improvements	\$ 43,000	\$ 31,000	\$ 43,000	\$ 211,109	\$ 190,000	\$ 20,000
Computer Replacement	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<b>Public Buildings</b>						
<b>General Fund Total</b>	<b>\$ 4,903,708</b>	<b>\$ 22,829,697</b>	<b>\$ 6,048,975</b>	<b>\$ 14,435,388</b>	<b>\$ 5,698,601</b>	<b>\$ 4,409,000</b>
<b>Fleet Fund</b>						
<b>Garage</b>						
Construction	\$ 60,000	\$ 383,000				
Specialized Equipment	\$ 12,000	\$ 18,600	\$ 37,200	\$ 32,600		
Vehicle Replacement		\$ 35,000	\$ 27,000			
Computers	\$ 3,500		\$ 3,500			
Metal Doors	\$ 15,000		\$ 5,500			
Field Pump				\$ 8,000		
<b>Fleet Fund Total</b>	<b>\$ 90,500</b>	<b>\$ 436,600</b>	<b>\$ 73,200</b>	<b>\$ 40,600</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Water and Sewer Fund Equipment</b>						
<b>Administration</b>						
Specialized Equipment	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600		
Vehicle Replacement	\$ 75,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 100,000	\$ 30,000
Computer Replacement	\$ 2,000		\$ 6,000	\$ 4,000		
Radios	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	
<b>Collection System</b>						
Improvements	\$ 90,000					
Specialized Equipment	\$ 104,500	\$ 210,000	\$ 65,000	\$ 473,500	\$ 298,500	\$ 160,000
Vehicle Replacement	\$ 95,000	\$ 175,000	\$ 140,000	\$ 45,000	\$ 150,000	\$ 230,000
Sewer Lines	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000		
Computer Replacement	\$ 6,000	\$ 5,000	\$ 3,000	\$ 2,000		
<b>Henry Fork Plant</b>						
Paving at Facility		\$ 500,000				
Specialized Equipment	\$ 75,000	\$ 120,000	\$ 75,000	\$ 50,000	\$ 8,000	\$ 20,000
Vehicle Replacement		\$ 30,000		\$ 40,000		\$ 35,000
Superintendent	\$ 2,000					
<b>Northeast Plant</b>						
Upgrade Plant SCADA					\$ 40,000	
Specialized Equipment	\$ 152,000	\$ 243,000	\$ 197,000	\$ 108,000	\$ 68,000	\$ 648,000
Vehicle Replacement			\$ 170,000			\$ 30,000
Computer Replacement	\$ 2,000	\$ 2,000	\$ 2,000			
Flow Meter			\$ 4,000			

# Capital Improvements/Grant Projects



CIP Items	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<b>Water Treatment Plant</b>						
Facility Improvements	\$ 650,000	\$ 45,000	\$ 100,000	\$ 695,000	\$ 220,000	\$ 40,000
Furniture						\$ 25,000
Specialized Equipment	\$ 231,000	\$ 284,000	\$ 252,000	\$ 261,000	\$ 211,000	\$ 269,000
Vehicle Replacement			\$ 30,000		\$ 30,000	\$ 30,000
Computer Replacement		\$ 2,000	\$ 2,000	\$ 4,000		
Lab PH Meter			\$ 5,000			
<b>Pretreatment &amp; Lab</b>						
Specialized Equipment	\$ 14,000		\$ 6,500	\$ 26,500	\$ 6,500	\$ 32,000
Vehicle Replacement		\$ 32,000	\$ 32,000		\$ 35,000	
CO GLS Sampler	\$ 4,000	\$ 9,000	\$ 9,000	\$ 4,500	\$ 9,000	
Computer Replacement		\$ 4,000	\$ 4,000			\$ 4,000
Sample Pump		\$ 2,000			\$ 2,100	
Dishwasher		\$ 900	\$ 900	\$ 900		
PH/ION Meter		\$ 2,000	\$ 900		\$ 2,500	
Heated Water Bather			\$ 1,200		\$ 1,200	
Conductivity Meter				\$ 900	\$ 900	
Spectrophotometer				\$ 6,800		
PH/DO Meter					\$ 900	\$ 900
Vacuum Pump						\$ 4,500
<b>Hickory Catawba Wastewater Plant</b>						
SCADA Upgrade		\$ 30,000				
Specialized Equipment	\$ 25,000	\$ 42,000	\$ 22,000	\$ 26,000	\$ 20,000	\$ 45,000
Vehicle Replacement					\$ 30,000	\$ 40,000
Effluent Flow Meter			\$ 5,000			
<b>Distribution</b>						
Specialized Equipment	\$ 18,000	\$ 17,000	\$ 18,000	\$ 18,000	\$ 17,000	\$ 18,000
Water & Sewer Equipment	\$ 172,000	\$ 95,000	\$ 235,000	\$ 80,000	\$ 80,000	\$ 185,000
Vehicle Replacement	\$ 195,000	\$ 40,000	\$ 110,000	\$ 165,000	\$ 305,000	\$ 185,000
Water Lines	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Computer Replacement	\$ 4,000		\$ 4,000	\$ 4,000	\$ 4,000	\$ 2,000
Tools	\$ 14,000	\$ 15,000	\$ 15,000	\$ 13,000	\$ 15,000	\$ 15,000
<b>Water and Sewer Fund Equipment Total</b>	<b>\$ 2,066,300</b>	<b>\$ 2,100,700</b>	<b>\$ 1,710,300</b>	<b>\$ 2,223,900</b>	<b>\$ 1,672,800</b>	<b>\$ 2,063,400</b>
<b>Capital Improvement</b>						
Water Lines	\$ 5,000,000	\$ 5,275,000	\$ 900,000	\$ 4,840,000	\$ 4,700,000	\$ 1,956,000
Sewer Lines	\$ 335,000	\$ 4,285,000	\$ 1,485,000	\$ 385,000	\$ 285,000	
Specialized Equipment					\$ 155,000	
<b>Water and Sewer Fund Construction Total</b>	<b>\$ 5,335,000</b>	<b>\$ 9,560,000</b>	<b>\$ 2,385,000</b>	<b>\$ 5,225,000</b>	<b>\$ 5,140,000</b>	<b>\$ 1,956,000</b>
<b>Water and Sewer Fund Total</b>	<b>\$ 7,401,300</b>	<b>\$ 11,660,700</b>	<b>\$ 4,095,300</b>	<b>\$ 7,448,900</b>	<b>\$ 6,812,800</b>	<b>\$ 4,019,400</b>
<b>Sludge Fund</b>						
Housing and Chains for Conveyors	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000		
<b>Sludge Fund Total</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ -</b>

# Capital Improvements/Grant Projects



CIP Items	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
<b>Airport Fund</b>						
<b>Airport</b>						
Building & Construction	\$ 75,000		\$ 150,000	\$ 325,000	\$ 175,000	
Facility Improvements	\$ 45,000	\$ 195,000	\$ 55,000	\$ 130,000	\$ 80,000	
Other Equipment	\$ 40,000	\$ 95,000	\$ 25,000		\$ 150,000	\$ 40,000
Computer Replacement			\$ 3,000	\$ 1,500		
Sign Replacement	\$ 10,000			\$ 5,000		
<b>Tower</b>						
Facility Improvements		\$ 25,000	\$ 60,000	\$ 20,000	\$ 30,000	
Specialized Equipment		\$ 6,000				
<b>FBO</b>						
Building & Construction	\$ 130,000	\$ 155,000	\$ 215,000	\$ 180,000	\$ 80,000	
Specialized Equipment	\$ 30,000		\$ 160,000			
Computer Replacement		\$ 4,500		\$ 1,500		
<b>Airport Fund Total</b>	<b>\$ 330,000</b>	<b>\$ 480,500</b>	<b>\$ 668,000</b>	<b>\$ 663,000</b>	<b>\$ 515,000</b>	<b>\$ 40,000</b>
<b>Solid Waste Fund</b>						
<b>Recycling</b>						
Other Equipment	\$ 53,000				\$ 201,000	
Vehicle Replacement	\$ 1,130,000	\$ 530,000	\$ 495,000	\$ 415,000	\$ 287,000	\$ 940,000
Computer Replacement		\$ 1,750				
Specialized Equipment			\$ 1,000,000			
<b>Residential Sanitation</b>						
Vehicle Replacement	\$ 400,000	\$ 407,000	\$ 431,500	\$ 457,500	\$ 894,000	\$ 616,000
Computer Replacement		\$ 3,500				
<b>Commercial Bulk Services</b>						
Facility Improvements		\$ 100,000				
Specialized Equipment		\$ 106,000	\$ 245,500	\$ 133,000	\$ 200,000	
Vehicle Replacement		\$ 655,500	\$ 779,000	\$ 663,250	\$ 653,000	\$ 692,000
Computer Replacement	\$ 3,500					
<b>Solid Waste Fund Total</b>	<b>\$ 1,586,500</b>	<b>\$ 1,803,750</b>	<b>\$ 2,951,000</b>	<b>\$ 1,668,750</b>	<b>\$ 2,235,000</b>	<b>\$ 2,248,000</b>
<b>Total Funds</b>	<b>\$ 14,362,008</b>	<b>\$ 37,261,247</b>	<b>\$ 13,886,475</b>	<b>\$ 24,306,638</b>	<b>\$ 15,261,401</b>	<b>\$ 10,716,400</b>

# Capital Improvements/Grant Projects

## Citywalk

Project#B1C001  
 Total Project Cost: \$25,250,505  
 Project Start Date: 2016  
 Project End Date: 2022  
 Project Manager: Rick Beasley



## Description

Citywalk is a pedestrian link from Lenoir-Rhyne University through the downtown area and continues the mill redevelopments and corporate headquarter opportunities that have already taken place along this corridor. The goal of this project is to create destinations for jobs, service, and professional opportunities in the City's Central Business District. Locations along the Citywalk are viable for a number of activities including corporate headquarters, urban residential units, commercial services, and retail jobs.

## Impact on Operating Budget

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which Citywalk represents approximately 26%.



As of April 12, 2023	Budgeted	Actuals
Design	1,351,401.00	1,304,272.57
Construction	20,532,553.00	19,207,189.89
Engineering	963,133.00	954,666.82
Miscellaneous	1,308,267.00	1,288,904.35
Transfer to General Fund	1,095,151.00	1,095,151.00
<b>Total</b>	<b>25,250,505.00</b>	<b>23,850,184.63</b>



# Capital Improvements/Grant Projects

## Riverwalk

Project # B1R001  
 Total Project Cost: \$17,917,127  
 Project Start Date: February 2017  
 Project End Date: 2024  
 Project Manager: Rick Beasley



### Description

Another Bond project, the Riverwalk will be Hickory's first on-water boardwalk experience, along the shoreline of Lake Hickory. This will take the form of a mile-long ADA-accessible walkway extending from Highway 321 to Geitner-Rotary Park and is designed to let people view and experience the water through enhanced pedestrian access to Lake Hickory. Planning began during fall 2016, with a construction contract awarded in January 2020 to David E. Looper & Company for \$5,889,133. This project is further leveraged through private investment in the future Deidra Lackey Memorial Park for the same area.

### Impact on Operating Budget

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which Riverwalk represents approximately 31%.

As of April 12, 2023	Budgeted	Actuals
Design	1,549,051.00	1,330,789.26
Construction	14,873,497.00	13,343,163.87
Engineering	618,265.00	662,998.08
Miscellaneous	77,750.00	39,574.79
Transfer to General Fund	798,564.00	798,564.00
<b>Total</b>	<b>17,917,127.00</b>	<b>16,175,090.00</b>

# Capital Improvements/Grant Projects

## Trivium Corporate Center

Project # B1B001  
 Total Project Cost: \$28,673,058  
 Project Start Date: Spring 2017  
 Project End Date: TBD



### Description

Trivium Corporate Center is a joint business-park venture between Catawba County and the City of Hickory. The property consists of some 200 acres located south of Catawba Valley Community College between Robinwood Road and Startown Road, placing it with excellent access to Interstate 40 and Highway 321. The Catawba County Economic Development Commission continues to market the property.

As of Spring 2021, the following tenants have already established or begun locating here: *Corning Incorporated*; *Isotopen Technologien München AG (ITM)*; *Cataler North America Corporation*; *Stonemont Financial Group* (192,000 square-foot speculative building); American Fuji Seal; and Gusmer Enterprises.

### Impact on Operating Budget

Enhanced opportunities for international and upper-end business development will benefit not only the local property tax base but will also enhance the availability of quality, higher technology jobs in the local community. All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which Trivium Corporate Center represents approximately 13%.



As of April 12, 2023	Budgeted	Actuals
Design	491,257.00	-
Construction	13,606,900.00	11,406,593.69
Right-of-Way	-	-
Engineering	2,144,271.00	1,878,323.89
Miscellaneous	849,097.00	782,680.32
Land	8,498,452.00	8,149,769.86
Transfer to General Fund	3,083,081.00	2,333,081.00
<b>Total</b>	<b>28,673,058.00</b>	<b>24,550,448.76</b>

# Capital Improvements/Grant Projects

## Streetscapes and Gateways

Project # B1G001  
 Total Project Cost: \$1,143,343  
 Project Start Date: 2016  
 Project End Date: 2021  
 Project Manager: Rick Beasley



## Description

The current Gateway plan consists of an artistic leaf structure, along with landscaping, at Highway 321 and 70. The other Gateway will be placed at Lenoir-Rhyne Boulevard and Interstate 40. Amec Foster Wheeler was hired to design the gateway at Highway 321 and Highway 70. That design was completed in 2017 and approved by City Council. The LR Blvd. I-40 Gateway has not been designed yet. Construction contracts for the US Highway 321/70 Gateway were awarded to Southern Lawscapes and Sign Systems, Inc. and the project is now complete with backlighting and final landscaping. There are multiple Streetscape projects. One will be on Lenoir Rhyne Boulevard between Highway 70 and Tate Boulevard. Another Streetscape will be along Old Lenoir Road, which will connect the City Walk to the Riverwalk.

## Impact on Operating Budget

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which Streetscapes and Gateways represents approximately 1%.

As of April 12, 2023	Budgeted	Actuals
<b>Design</b>	<b>256,166.00</b>	<b>249,166.00</b>
<b>Construction</b>	<b>554,495.00</b>	<b>526,971.11</b>
<b>Right-of-Way</b>	-	-
<b>Engineering</b>	-	-
<b>Miscellaneous</b>	-	-
<b>Land</b>	-	-
<b>Transfer to General Fund</b>	<b>332,682.00</b>	<b>332,682.00</b>
<b>Total</b>	<b>1,143,343.00</b>	<b>1,108,819.11</b>

# Capital Improvements/Grant Projects

## Historic Ridgeview Walk

Project # B1L001  
 Total Project Cost: \$6,287,019  
 Project Start Date: 2019  
 Project End Date: TBD  
 Project Manager: Rick Beasley



### Description

Historic Ridgeview Walk is part of the larger Hickory Trail multiuse path system and bond program that seeks to increase quality of life for residents and spur economic revitalization by providing pedestrian and bicycle connectivity throughout the City. Historic Ridgeview Walk will specifically provide this connectivity within the Ridgeview community and connect the Ridgeview community to Downtown Hickory and U.S. 70. Historic Ridgeview Walk proposes to construct a 1.2-mile, 10-foot wide multiuse path for pedestrians and bicyclists of all ages and abilities, connecting residents to community amenities.

In addition to utilizing \$1.3 million of Bond proceeds, the City was awarded \$5.2 million of federal Surface Transportation Block Grant – Direct Attributable (STBG-DA) funds towards the Historic Ridgeview Walk project by the Greater Hickory Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation (NCDOT).

### Impact on Operating Budget

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which Historic Ridgeview Walk represents approximately 2%.

As of April 12th, 2023	Budgeted	Actuals
<b>Design</b>	<b>810,811.00</b>	<b>748,109.01</b>
<b>Construction</b>	<b>3,970,435.00</b>	<b>21,191.15</b>
<b>Right of Way</b>	<b>415,000.00</b>	<b>331,793.00</b>
<b>Engineering</b>	<b>584,903.00</b>	<b>-</b>
<b>Miscellaneous</b>	<b>505,870.00</b>	<b>7,798.71</b>
<b>Transfer to General Fund</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6,287,019.00</b>	<b>1,108,891.87</b>



# Capital Improvements/Grant Projects

## Aviation Walk

Project # B1N001  
 Total Project Cost: \$28,963,665  
 Project Start Date: Spring 2020  
 Project End Date: TBD



## Description

On December 6, 2018, the City of Hickory was awarded a \$17 million *Better Utilizing Investments to Leverage Development (BUILD)* Transportation Discretionary Grant from the U.S. Department of Transportation (USDOT).

In addition to funding a 1.2-mile complete streetscape loop in Downtown Hickory as part of the Hickory Trail, the BUILD grant will fund a pedestrian bridge over U.S. 321 and an approximately 1.7-mile bicycle and pedestrian trail that will travel by L.P. Frans Stadium, home of the Hickory Crawdads baseball team, and up to the Hickory Regional Airport. This multiuse path will be called the Aviation Walk. It is currently under design and anticipated to go out to bid by early 2021, with construction slated to begin in spring 2021.

## Impact on Operating Budget

Enhanced physical improvements and amenities for the traveling public will aid in encouraging increased development of the tax base to occur in the critical economic areas between downtown, the Riverwalk along Lake Hickory, Crawdads stadium, and Hickory Regional Airport. All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which Aviation Walk represents approximately 9%.



As of April 12, 2023	Budgeted	Actuals
<b>Design</b>	<b>2,380,927.00</b>	<b>2,328,045.34</b>
<b>Construction</b>	<b>22,261,582.00</b>	<b>12,265,555.49</b>
<b>Right-of-Way</b>	<b>1,724,148.00</b>	<b>1,502,676.81</b>
<b>Engineering</b>	<b>1,808,919.00</b>	<b>977,160.28</b>
<b>Miscellaneous</b>	<b>788,089.00</b>	<b>298,061.92</b>
<b>Total</b>	<b>28,963,665.00</b>	<b>17,371,499.84</b>

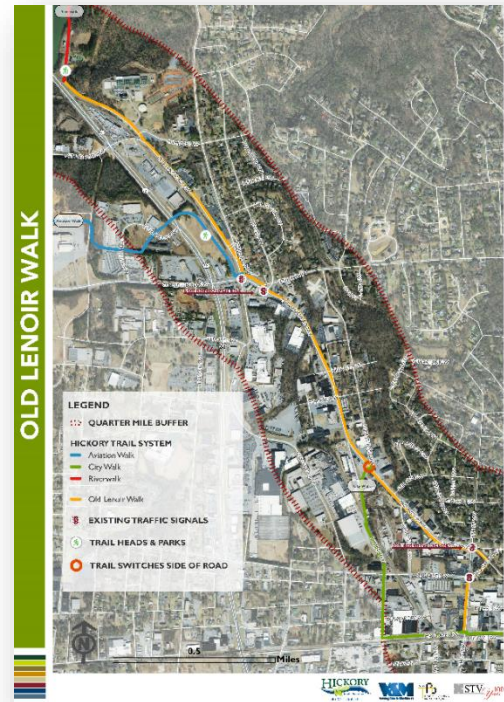
# Capital Improvements/Grant Projects

## OLLE Art Walk

Project # B10001  
 Total Project Cost: \$16,336,137  
 Project Start Date: Spring 2020  
 Project End Date: TBD

### Description

Old Lenoir Road is about to get a makeover, thanks to an \$8.48 million grant from the Greater Hickory Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation (NCDOT). At its May 7, 2019 meeting, Hickory City Council unanimously approved an agreement with NCDOT to receive the federal funds to construct a multiuse trail and make streetscape improvements along Old Lenoir Road, which will be known as the OLLE Art Walk. Hickory City Council is moving this project forward by matching the federal funding, which covers 80 percent of the cost. The 20 percent local match will be met with local bond funds from the Crafting Hickory initiative.



### Impact on Operating Budget

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$3,289,125 of which OLLE Art Walk represents 10%.

As of April 12, 2023	Budgeted	Actuals
Design	1,524,371.00	1,510,838.36
Construction	11,522,334.00	383,260.12
Right-of-Way	1,413,000.00	947,693.00
Engineering	1,327,472.00	125,374.86
Miscellaneous	548,960.00	625.08
<b>Total</b>	<b>16,336,137.00</b>	<b>2,967,791.42</b>

# Debt Service

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Like most municipalities, the City of Hickory utilizes debt as a means to finance long-term capital projects. Hickory has traditionally maintained a conservative position regarding the use of debt while simultaneously benefiting from its use to fund projects such as water plants, libraries, and police stations. Because of its critical importance to the City's financial solvency, debt is regulated not only by Council policy, but also by North Carolina statutes. The *Debt Service* section examines the specifics of the City's debt **and includes only that debt which the City has outstanding at the time of the printing of this document.**

## Discussion

The City of Hickory's bond rating is AA+ from Standard & Poor's, and Aa1 from Moody's. These ratings were upgraded during October 2019, from a previous rating of Aa2 from Moody's. In the future, these bond ratings will continue to allow the City to borrow money at lower interest rates than what we have been able to achieve previously.

As we move into FY2023-2024 we continue to service the debt the 2018, 2019, and 2021 General Obligation Bond issues. The current payments on the 2018, 2019, and 2021 General Obligation Bonds comprise Bonds comprise 42% of all debt service for the year.

Debt service payments on State Revolving Loan funds borrowed from the State of North Carolina for the Northeast Wastewater Treatment Plant, Geitner Basin, Central Business District, Murray Basin, and Cripple Creek sewer projects will make up 21% of all debt service requirements. The Cripple Creek Interceptor replacement is a revolving loan funded by the American Recovery and Reinvestment Act (ARRA).

Debt service payments on Installment Purchase Agreements will make up 37% of all debt service requirements for the City of Hickory in FY2023-2024. Funds borrowed through this means of financing were for the Hickory Metro Convention Center and upgrades to the Hickory-Catawba Wastewater Treatment Plant.

# Debt Service



DEBT SERVICE		FY2023-24	FY2024-25	FY2025-26	FY2026-27	FY2027-28
<b>General Obligation Bonds</b>						
Purpose	G.O. Bond Series 2018					
Interest Rate	3%-5% variable					
Issued	8/28/2018					
Due	Annually to 2038					
Outstanding	\$15,664,688					
Principal	\$12,000,000	750,000	750,000	750,000	750,000	750,000
Interest	\$3,664,688	466,875	429,375	391,875	354,375	316,875
Purpose	G.O. Bond Series 2019					
Interest Rate	2.55%-5% variable					
Issued	11/19/2019					
Due	Annually to 2039					
Outstanding	\$16,817,250					
Principal	\$12,750,000	750,000	750,000	750,000	750,000	750,000
Interest	\$4,067,250	489,750	452,250	414,750	377,250	339,750
Purpose	G.O. Bond Series 2021					
Interest Rate	2.55%-5% variable					
Issued	11/19/2021					
Due	Annually to 2039					
Outstanding	\$12,340,000					
Principal	\$9,500,000	500,000	500,000	500,000	500,000	500,000
Interest	\$2,840,000	332,500	307,500	282,500	257,500	232,500
<b>Subtotal</b>		<b>\$ 3,289,125</b>	<b>\$ 3,189,125</b>	<b>\$ 3,089,125</b>	<b>\$ 2,989,125</b>	<b>\$ 2,889,125</b>
<b>State Revolving Loan</b>						
Purpose	S-SRF-T-0900181 Northeast Plant					
Interest Rate	2.48%					
Issued	1/20/2013					
Due	Annually to 2033					
Outstanding	\$9,697,625					
Principal	\$8,785,000	905,000	900,000	895,000	890,000	880,000
Interest	\$912,625	153,738	137,900	122,150	106,488	90,913
Purpose	Central Business District					
Interest Rate	1.66%					
Issued	11/4/2017					
Due	Semi-annually through 2038					
Outstanding	\$1,153,278					
Principal	\$1,023,075	68,205	68,205	68,205	68,205	68,205
Interest	\$130,203	16,983	15,851	14,719	13,586	12,454
Purpose	Geitner Basin Sewer					
Interest Rate	1.66%					
Issued	12/24/2017					
Due	Semi-annually through 2038					
Outstanding	\$2,676,177					
Principal	\$2,384,282	149,018	149,018	149,018	149,018	149,018
Interest	\$291,896	37,106	34,632	32,158	29,685	27,211
Purpose	Murray Basin					
Interest Rate	1.04%					
Issued	11/1/2023					
Due	Semi-annually through 2043					
Outstanding	\$5,772,352					
Principal	\$5,182,700	259,135	259,135	259,135	259,135	259,135
Interest	\$589,652	77,601	51,205	48,510	45,815	43,120
Purpose	Cripple Creek ARRA Loan					
Interest Rate	0%					
Issued	09/14/2010					
Due	Annually to 2031					
Outstanding	\$281,201					
Principal	\$281,201	40,057	40,057	40,057	40,057	40,457
Interest	-					
<b>Subtotal</b>		<b>\$ 1,706,843</b>	<b>\$ 1,656,003</b>	<b>\$ 1,628,951</b>	<b>\$ 1,601,989</b>	<b>\$ 1,570,512</b>



# Debt Service



Installment Purchase Agreements						
Purpose	Hky Metro Conv. Center Parking Deck					
Interest Rate	2.94%					
Issued	10/22/2014					
Due	Semi-annually to 2030					
	1.98% Reduced Interest Rate 04/22/21					
Outstanding	\$1,230,664					
Principal	\$1,158,388	200,000	200,000	200,000	200,000	200,000
Interest	\$72,276	21,946	17,986	14,026	10,066	6,106
Purpose	Henry River Basin Sewer					
Interest Rate	3.55%					
Issued	4/5/2005					
Due	Semi-annually to 2025					
	3.19% Reduced Interest Rate 03/21/2012					
	1.67% Reduce Interest Rate 11/30/2020					
Outstanding	\$732,331					
Principal	\$712,500	475,000	237,500			
Interest	\$19,831	13,882	5,949			
Purpose	Radio System Upgrade					
Interest Rate	2.92%					
Issued	10/9/2018					
Due	Semi-annually to 2023					
Outstanding	\$58,340					
Principal	\$57,500	57,500				
Interest	\$840	840				
Purpose	BB&T TDA Expansion					
Interest Rate	3.83%					
Issued	3/15/2023					
Due	Semi-annually to 2043					
Outstanding	\$20,246,654					
Principal	\$14,135,000		400,000	760,000	760,000	760,000
Interest	\$6,111,654	565,431	541,371	526,051	496,943	467,835
Purpose	Hickory-Catawba WWTP Upgrade					
Interest Rate	2.27%					
Issued	2/1/2013					
Due	Semi-annually to 2028					
Outstanding	\$3,912,161					
Principal	\$3,678,635	702,894	718,940	735,352	752,140	769,310
Interest	\$233,526	79,539	63,492	47,080	30,293	13,122
Purpose	Truist-Combined Debt					
Interest Rate	1.69%					
Issued	12/16/2020					
Due	Semi-annually to 2035					
Outstanding	\$6,936,563					
Principal	\$6,250,000	500,000	500,000	500,000	500,000	500,000
Interest	\$686,563	103,513	95,063	86,613	78,163	69,713
Purpose	Police Laptops					
Interest Rate	7.14%					
Issued	12/16/2020					
Due	Semi-annually to 2023					
Outstanding	\$55,000					
Principal	\$51,333	51,333				
Interest	\$3,667	3,667				
Purpose	Sanitation Trucks					
Interest Rate	0.00%					
Issued	2/1/2021					
Due	Monthly to 2024					
Outstanding	\$113,170					
Principal	\$113,170	113,170				
Interest	-					
<b>Subtotal</b>		<b>2,943,715</b>	<b>2,780,301</b>	<b>2,869,122</b>	<b>2,827,604</b>	<b>2,786,085</b>
<b>Grand Total</b>		<b>\$ 7,939,683</b>	<b>\$ 7,625,429</b>	<b>\$ 7,587,197</b>	<b>\$ 7,418,717</b>	<b>\$ 7,245,722</b>

## LEGAL DEBT MARGIN

What is the borrowing capacity of the City? This is a key question whenever local governments consider financing large projects and committing tax dollars towards the Debt Service over a period of years. From a legal standpoint, the City is subject to the Local Government Bond Act of North Carolina, which limits the amount of net bonded debt the City may have outstanding to 8% of the assessed value of property subject to taxation.

Below is a detailed history of the City's outstanding debt over the last ten years:

CITY OF HICKORY, NORTH CAROLINA LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS											Schedule 12
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Debt limit	\$ 377,581,017	\$ 383,754,992	\$ 379,528,028	\$ 363,175,123	\$ 372,328,057	\$ 384,391,327	\$ 391,766,805	\$ 409,658,607	\$ 424,185,891	\$ 431,460,490	
Total net debt applicable to limit	45,103,768	-	-	-	31,172,053	32,420,573	43,026,003	58,591,268	62,080,074	70,559,671	
Legal debt margin	\$ 332,477,249	\$ 383,754,992	\$ 379,528,028	\$ 363,175,123	\$ 341,156,004	\$ 351,970,754	\$ 348,740,802	\$ 351,067,339	\$ 362,105,817	\$ 360,900,819	
Total net debt applicable to the limit as a percentage of debt limit	11.95%	0.00%	0.00%	0.00%	8.37%	8.43%	10.98%	14.30%	14.64%	16.35%	
<b>Legal Debt Margin Calculation for Fiscal Year 2022</b>											
Assessed value of taxable property						\$ 5,393,256,119					
Debt limit - 8 percent of assessed value						\$ 431,460,490					
Debt applicable to limit:											
Gross debt						70,559,671					
Less - water bonds						-					
Total net debt applicable to limit						70,559,671					
Legal debt margin						\$ 360,900,819					

## FIVE YEAR FINANCIAL FORECAST 2023-2024 THROUGH 2028-2029

The City of Hickory recognizes the importance of long-range planning throughout the organization. No effective plan, however, can exist without an understanding of the resources and obligations anticipated in the coming years. The City develops its Five-Year Budget Forecast to establish a reasonable basis for the budget planning process.

This Five-Year Budget Forecast includes the General Fund, Water and Sewer Fund, Stormwater Fund, Sludge Composting Fund, Transportation Fund, Solid Waste Fund, Fleet Maintenance Fund and Insurance Fund.

To complete this Five-Year Budget Forecast, we consider:

1. City Council's Priorities and Action Plan
2. Five Year CIP
3. Five Year Debt Schedule
4. Master Plans
5. Past budgetary trends
6. Current economic conditions
7. Projected economic conditions

In that we are projecting into the future based on what we know today and what we have experienced in the past, the last consideration of projected economic conditions can be extremely volatile, particularly as it relates to future revenue growth. We have a level of control over future expenditure growth, but economic conditions will ultimately dictate future revenue growth. You will see that our forecasted revenue growth has been estimated at what we believe to be achievable levels, but there are no guarantees.

You will also notice that projected expenditures may exceed projected revenues. Every Annual Budget adopted by City Council is statutorily required to be balanced, so these unbalanced projected numbers reflect the work which must be done every year to get expenditures in line with revenues. To present balanced budget projections would not provide an accurate accounting of the budgetary challenges faced every year. Improved economic conditions will translate into revenue growth that exceeds what is being forecast in this document. That generally translates into fewer cuts on the expenditure side or less pressure to increase revenue through new or increased taxes to provide the same level of service or new services.

The following projections present the budget framework around which planning for the City's next five fiscal years can begin.

### General Fund Revenue

- **Ad Valorem:** Anticipated growth in the City's property tax base will produce 2.0% growth in property tax revenues annually.
- **Other Taxes:** This category of revenue is highly impacted by both local and state-wide economic conditions. On average, these revenues will increase by 2% annually through FY2026-2027. Sales Taxes and Utility Franchise Taxes are the largest sources of revenue in this category.
- **Unrestricted Governmental Revenue:** These are revenues received from other governmental jurisdictions for which there are no restrictions on use. There is no growth forecasted in this category of revenue through FY2026-2027. The Beer & Wine Tax is the single largest source of revenue in this category.
- **Restricted Governmental Revenue:** These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. We project 2% annual growth in this category of revenue due to most of these revenues coming from the State of North Carolina, an unstable financial partner with structural

# Five Year Financial Forecast

budgetary problems. The single largest source of revenue in this category is Powell Bill revenues, which are used solely for road maintenance.

- **Licenses & Permits:** These revenues are driven by local economic conditions and are derived from fees approved by City Council in the City's Fee Schedule. Fees are normally increased annually by the Consumer Price Index, but this gauge does not necessarily correspond to increases in revenue.
- **Sales & Services:** These revenues are also driven by local economic conditions, but to a lesser degree, and are derived from fees approved by City Council in the City's Fee Schedule. Many, but not all of the fees related to Sales and Services are increased annually by the Consumer Price Index. Examples of revenue in this category are TDA Convention Center Rental, Parking Rentals, and Recreational Program fees. TDA Convention Center Rental Revenue is tied to the debt service payments the City makes on this facility. Most sources of revenue in this category are expected to increase by 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- **Miscellaneous:** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2%.
- **Other Financing Sources:** This category of revenue reflects the appropriation of fund balance for designated purposes and transfers from the Capital Reserve Fund for capital purchases. It is anticipated that this source of revenue will increase by 2% annually over the next five years.

## General Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees which is anticipated to grow 5% annually. Longevity pay, part-time salaries, overtime and holiday pay are projected to stay flat. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by an average of 1% annually.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most major construction projects are budgeted outside of the Annual Budget.
- **Contingency:** City Council's adopted policy calls for General Fund Contingency funding of up to 1.5% of recurring General Fund Revenues. Projected increases in Contingency funding mirror projected increases in budgeted revenue.
- **Special Appropriations Funding:** City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not provide. In that such organizations operate regular services to achieve these public objectives, growth in Special Appropriations funding is anticipated at 2% annually.
- **Debt Service:** Debt service appropriations account for the payment of principal and interest on proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will increase approximately 2% annually over the next five years.
- **Interfund Transfers:** Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. This category of expenditures is projected to grow by 2% annually.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Water and Sewer Fund reimbursing the General Fund for the

# Five Year Financial Forecast

cost to bill and collect utility accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

## Water and Sewer Fund Revenue

- **Restricted Governmental Revenue:** These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. Among the largest sources of revenue in this category are from the Town of Longview and Burke County related to their past participation in the Henry Fork Wastewater Treatment Plant, the Town of Maiden's purchase of capacity in the City's Water Plant, and the Town of Claremont for operational services provided by the City of Hickory to their utility system. Growth is projected to increase 2% annually.
- **Sales & Services:** This category of revenue comprises the vast majority of revenue received by the Water and Sewer Fund. Revenue generated from water sales and sewer sales make up the majority of the revenue received in this category. Growth in this category of revenue is greatly impacted by the weather, economic activity and growth in the utility system. Growth overall is projected at 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- **Miscellaneous:** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected to increase 2% annually over the next five years.
- **Other Financing Sources:** This category of revenue reflects the transfer of funds from the Capital Reserve Fund for capital purchases. It is anticipated that this source of revenue will increase 2% annually over the next five years.

## Water and Sewer Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing full health insurance coverage to employees which is anticipated to grow 5% annually. Longevity pay, part-time salaries, overtime and holiday pay are projected to stay flat. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase, on average, by 1% per year.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- **Contingency:** Contingency is budgeted in the Water and Sewer Fund to provide funding for unanticipated, unbudgeted, nonrecurring expenses that may occur during the year. Projected increases in Contingency funding in the Water and Sewer Fund are based on the projected average annual Consumer Price Index.
- **Special Appropriations Funding:** City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not provide. In the Water and Sewer fund, the extent of this type of funding is to Habitat for Humanity for water and sewer taps related to new homes they construct each year, as well as water quality funding to the Western Piedmont Council of Government. 2% growth is projected annually in this category of expenditures.
- **Debt Service:** Debt service appropriations account for the payment of principal and interest on general obligation bonds and notes, and proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will generally be expected to increase 1% annually over the next five years.



# Five Year Financial Forecast

- **Interfund Transfers:** Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. Two Interfund Transfers are made by the Water and Sewer Fund, one to the Capital Reserve Fund and another to the Stormwater Fund. These expenditures are expected to increase by 2% annually over the next five years.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Water and Sewer Fund reimbursing the General Fund for the cost to bill and collect utility accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

## Sludge Composting Fund Revenue

- **Restricted Governmental:** As of 2020, Catawba County is no longer part of the regional Sludge Consortium. This leaves only the cities of Conover and Hickory as the participating entities. It is anticipated that this fund will continue to receive funding from the City of Conover and City of Hickory at the agreed upon percentages for the operation of this facility. Revenues are received at a level to support operations and are projected to increase by 2% annually.

## Sludge Composting Fund Expenditures

- **Operational:** Operational expenditures are projected to increase slightly less than the projected annual Consumer Price Index.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget. There are minimal capital purchases anticipated with the Sludge Composting Facility over the next five years.
- **Pro-Rata Reimbursements:** Pro-Rata Reimbursements are projected to increase by the Consumer Price Index, or 2% annually.

## Stormwater Fund Revenue

- **Other Financing Sources:** This category of revenue reflects the transfer of funds from both the General Fund and the Water and Sewer Fund which both support this fund financially.

## Stormwater Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing health insurance coverage to employees which is anticipated to grow 5% annually. Longevity pay, part-time salaries, overtime and holiday pay are projected to stay flat. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by the annual Consumer Price Index.

## Solid Waste Fund Revenue

- **Other Taxes:** This is the Solid Waste Excise Tax the City receives from the State of North Carolina. It is related to Tipping Fees the City pays and is a partial rebate. Growth in this revenue source is projected at 2% annually.
- **Sales & Services:** This category of revenue comprises the vast majority of revenue received by the Solid Waste Fund. Revenue generated from the Solid Waste Fee, Dumpster Rentals and Tipping Fees make up the majority

# Five Year Financial Forecast

of the revenue received in this category. Growth in this category of revenue is greatly impacted by economic activity and growth of the customer base within the City and is projected at 2% annually.

- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- **Miscellaneous:** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2% annually.
- **Other Financing Sources:** Although the General Fund is no longer subsidizing Solid Waste operations, the Solid Waste Fund does appropriate fund balance each year primarily for capital needs. Also of note, the fund during FY2020-21 began financing the purchase of vehicle and equipment replacements which will result in the receipt of lump-sum loan proceeds during frequent, select years. On the corresponding expenditure side, the Solid Waste Fund will now maintain Debt Service payments on the outstanding loans. Due to these anticipated ongoing needs, we project average annual increases of 2% in this category.

## Solid Waste Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by the annual Consumer Price Index.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Solid Waste Fund reimbursing the General Fund for the cost to bill and collect on accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

## Airport Fund Revenues

- **Sales & Services:** This category of revenue comprises the vast majority of revenue received by the Airport. Growth in this category of revenue is greatly impacted by local economic activity and air travel, and is projected at 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% annual growth is estimated over the next five years.
- **Other Financing Sources:** Beginning FY2020-21, the General Fund transferred to the Transportation Fund an amount equal to the property tax revenues received for aircraft stationed within the City's jurisdiction. Growth is projected at 2% per year for the next five (5) years.

## Airport Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenditures is projected to increase by the annual

# Five Year Financial Forecast

Consumer Price Index.

- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Transportation Fund reimbursing the General Fund for the cost to bill and collect on accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditures is projected to increase by the annual Consumer Price Index.

## Fleet Maintenance Fund Revenue

- **Sales and Services:** Sales and Services are the only source of revenue for this fund. As this fund is classified as an internal service fund, the fee structure for this fund is set to produce sufficient revenue to meet the vital expenditure needs of the service provided. Revenue is expected to increase an average of 2% annually.

## Fleet Maintenance Fund Expenditures

- **Personnel:** Personnel expenditures increase by an annual average of 2%. This increase is driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to the employee.
- **Operational:** Operational expenditures are projected to increase generally by the Consumer Price Index, or about 2% annually.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Fleet Maintenance Fund reimbursing the General Fund for the cost of billing fleet charges to the various departmental users of Fleet services. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

## Insurance Fund Revenue

- **Sales and Services:** Sales and Services is the major source of revenue for this fund. As this fund is classified as an internal service fund, the fee structure for this fund is set to produce sufficient revenue to meet the vital expenditure needs of the service provided. Revenue is expected to increase an average of 2% annually.
- **Investment Earnings:** A conservative 2% annual growth is estimated over the next five years.

## Insurance Fund Expenditures

- **Operational:** While the insurance markets are defined by various fluctuations among the health and property/liability sectors, the City projects average annual increases in these expenditures of 1.5% overall.

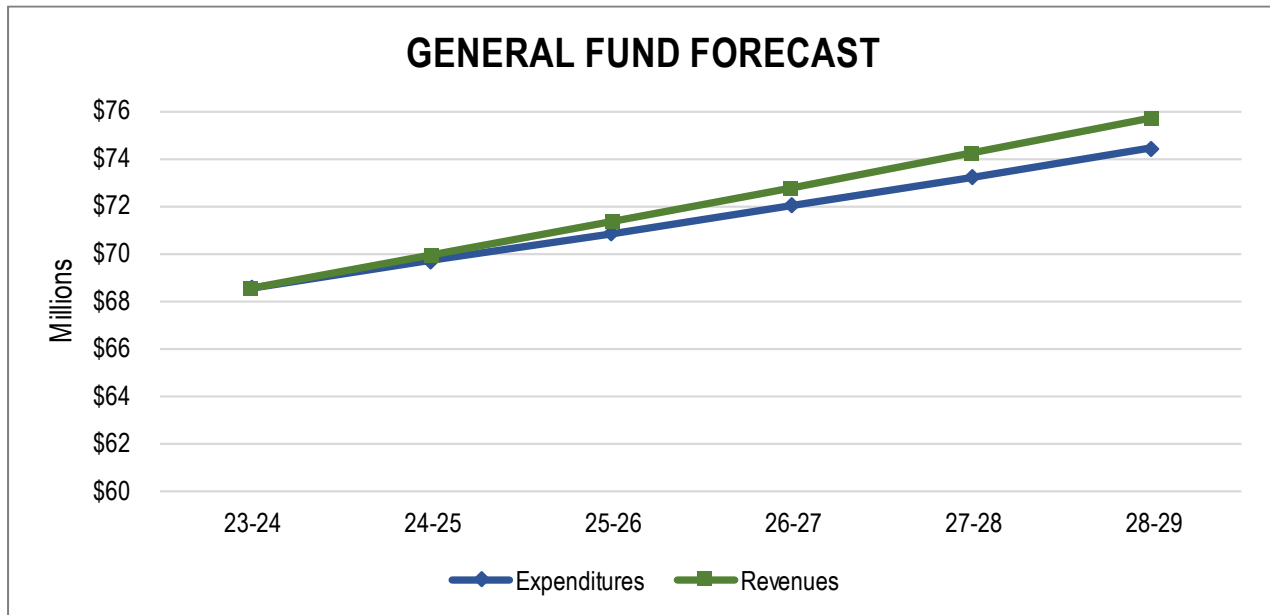


# Five Year Financial Forecast



## General Fund Forecast

Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Ad Valorem Taxes	\$ 37,100,000	\$ 37,842,000	\$ 38,598,840	\$ 39,370,817	\$ 40,158,233	\$ 40,961,398
Other Taxes	\$ 23,280,000	\$ 23,745,600	\$ 24,220,512	\$ 24,704,922	\$ 25,199,021	\$ 25,703,001
Unrestricted Intergovernmental	\$ 690,000	\$ 703,800	\$ 717,876	\$ 732,234	\$ 746,878	\$ 761,816
Restricted Intergovernmental	\$ 2,752,463	\$ 2,807,512	\$ 2,863,663	\$ 2,920,936	\$ 2,979,354	\$ 3,038,942
Licenses and Permits	\$ 4,500	\$ 4,590	\$ 4,682	\$ 4,775	\$ 4,871	\$ 4,968
Sales and Services	\$ 1,855,080	\$ 1,892,182	\$ 1,930,025	\$ 1,968,626	\$ 2,007,998	\$ 2,048,158
Investment Earnings	\$ 250,000	\$ 262,500	\$ 275,625	\$ 289,406	\$ 303,877	\$ 319,070
Miscellaneous	\$ 381,000	\$ 388,620	\$ 396,392	\$ 404,320	\$ 412,407	\$ 420,655
Other Financing Sources	\$ 2,251,232	\$ 2,296,257	\$ 2,342,182	\$ 2,389,025	\$ 2,436,806	\$ 2,485,542
<b>Total</b>	<b>\$ 68,564,275</b>	<b>\$ 69,943,061</b>	<b>\$ 71,349,797</b>	<b>\$ 72,785,061</b>	<b>\$ 74,249,445</b>	<b>\$ 75,743,550</b>
<b>Expenditures</b>						
Personnel	\$ 40,772,507	\$ 41,587,957	\$ 42,419,716	\$ 43,268,111	\$ 44,133,473	\$ 45,016,142
Operational	\$ 15,975,644	\$ 16,135,400	\$ 16,296,754	\$ 16,459,722	\$ 16,624,319	\$ 16,790,562
Capital	\$ 4,850,208	\$ 4,898,710	\$ 4,947,697	\$ 4,997,174	\$ 5,047,146	\$ 5,097,617
Contingency	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,350,000
Special Appropriations Funding	\$ 1,180,915	\$ 1,204,533	\$ 1,228,624	\$ 1,253,196	\$ 1,278,260	\$ 1,303,826
Debt Service	\$ 4,793,359	\$ 4,889,226	\$ 4,987,011	\$ 5,086,751	\$ 5,188,486	\$ 5,292,256
Interfund Transfers	\$ 3,389,227	\$ 3,457,012	\$ 3,526,152	\$ 3,596,675	\$ 3,668,608	\$ 3,741,980
Pro-Rata Reimbursements	\$ (3,747,585)	\$ (3,822,537)	\$ (3,898,987)	\$ (3,976,967)	\$ (4,056,507)	\$ (4,137,637)
<b>Total</b>	<b>\$ 68,564,275</b>	<b>\$ 69,700,302</b>	<b>\$ 70,856,967</b>	<b>\$ 72,034,662</b>	<b>\$ 73,233,786</b>	<b>\$ 74,454,747</b>

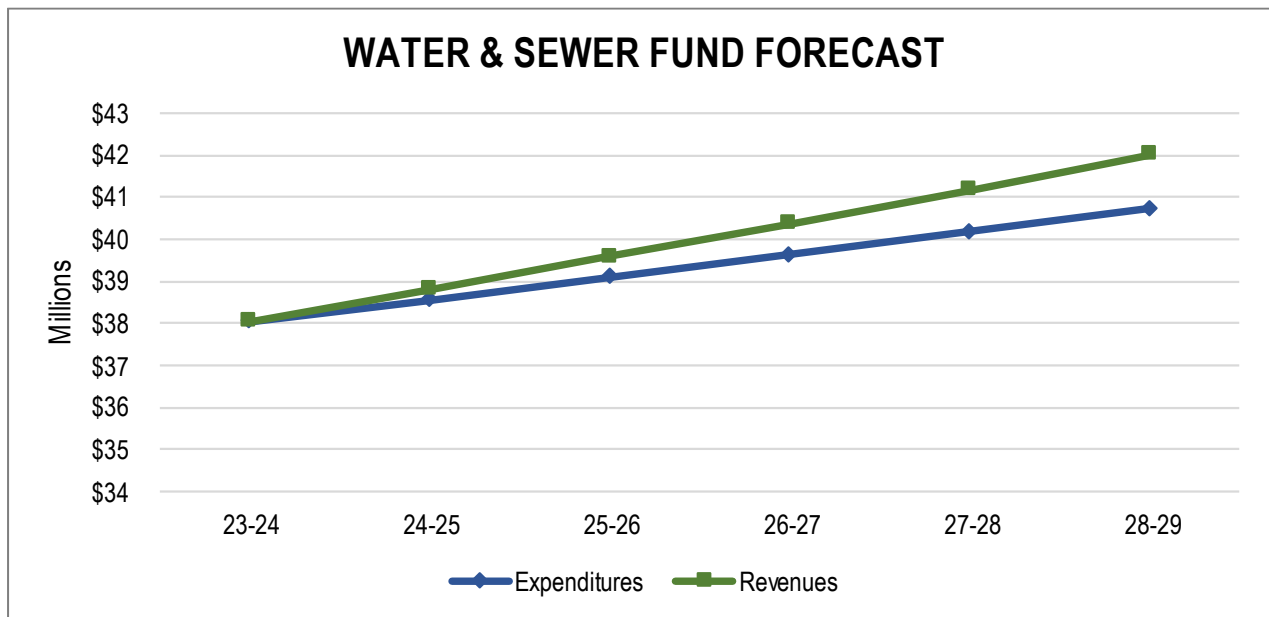


# Five Year Financial Forecast



## Water and Sewer Fund Forecast

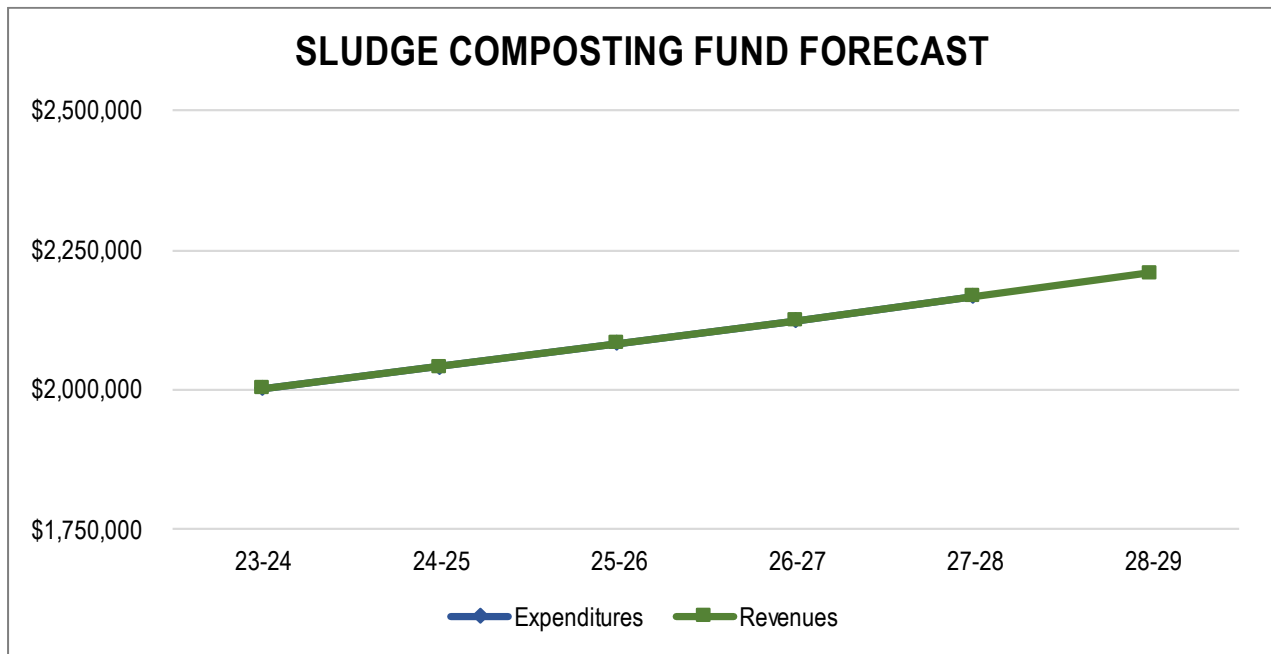
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Restricted Intergovernmental	\$ 1,489,241	\$ 1,519,026	\$ 1,549,406	\$ 1,580,394	\$ 1,612,002	\$ 1,644,242
Sales and Services	\$ 28,246,690	\$ 28,811,624	\$ 29,387,856	\$ 29,975,613	\$ 30,575,126	\$ 31,186,628
Investment Earnings	\$ 60,000	\$ 63,000	\$ 66,150	\$ 69,458	\$ 72,930	\$ 76,577
Miscellaneous	\$ 1,298,526	\$ 1,324,497	\$ 1,350,986	\$ 1,378,006	\$ 1,405,566	\$ 1,433,678
Other Financing Sources	\$ 6,946,825	\$ 7,085,762	\$ 7,227,477	\$ 7,372,026	\$ 7,519,467	\$ 7,669,856
<b>Total</b>	<b>\$ 38,041,282</b>	<b>\$ 38,803,908</b>	<b>\$ 39,581,876</b>	<b>\$ 40,375,498</b>	<b>\$ 41,185,091</b>	<b>\$ 42,010,981</b>
<b>Expenditures</b>						
Personnel	\$ 7,667,352	\$ 7,820,699	\$ 7,977,113	\$ 8,136,655	\$ 8,299,388	\$ 8,465,376
Operational	\$ 11,970,435	\$ 12,090,139	\$ 12,211,041	\$ 12,333,151	\$ 12,456,483	\$ 12,581,047
Capital	\$ 7,901,300	\$ 7,980,313	\$ 8,060,116	\$ 8,140,717	\$ 8,222,124	\$ 8,304,346
Contingency	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Special Appropriations Funding	\$ 84,252	\$ 85,937	\$ 87,656	\$ 89,409	\$ 91,197	\$ 93,021
Debt Service	\$ 3,064,657	\$ 3,095,304	\$ 3,126,257	\$ 3,157,519	\$ 3,189,094	\$ 3,220,985
Interfund Transfers	\$ 2,625,044	\$ 2,677,545	\$ 2,731,096	\$ 2,785,718	\$ 2,841,432	\$ 2,898,261
Pro-Rata Reimbursements	\$ 4,328,242	\$ 4,414,807	\$ 4,503,103	\$ 4,593,165	\$ 4,685,028	\$ 4,778,729
<b>Total</b>	<b>\$ 38,041,282</b>	<b>\$ 38,564,744</b>	<b>\$ 39,096,381</b>	<b>\$ 39,636,335</b>	<b>\$ 40,184,747</b>	<b>\$ 40,741,765</b>



# Five Year Financial Forecast



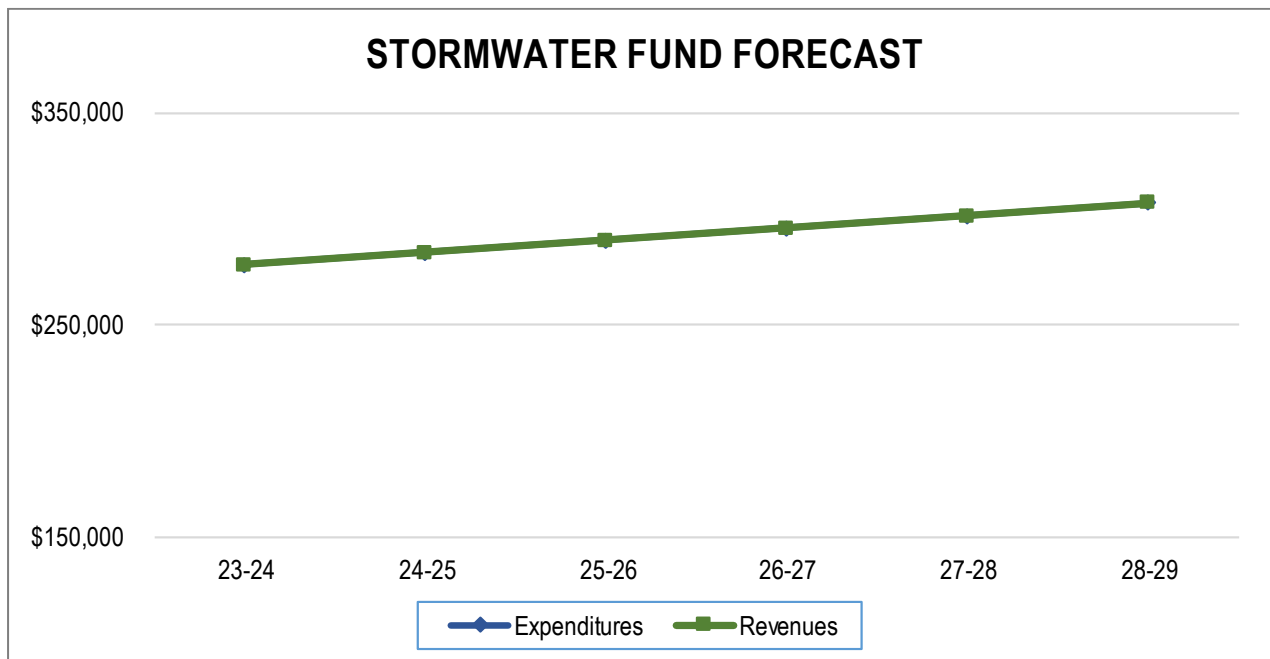
Sludge Composting Fund Forecast						
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Restricted Intergovernmental	\$ 2,001,284	\$ 2,041,310	\$ 2,082,136	\$ 2,123,779	\$ 2,166,254	\$ 2,209,579
<b>Total</b>	<b>\$ 2,001,284</b>	<b>\$ 2,041,310</b>	<b>\$ 2,082,136</b>	<b>\$ 2,123,779</b>	<b>\$ 2,166,254</b>	<b>\$ 2,209,579</b>
Expenditures						
Operational	\$ 1,814,716	\$ 1,851,010	\$ 1,888,031	\$ 1,925,791	\$ 1,964,307	\$ 2,003,593
Capital	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,122	\$ 55,204
Pro-Rata Reimbursements	\$ 136,568	\$ 139,299	\$ 142,085	\$ 144,927	\$ 147,826	\$ 150,782
<b>Total</b>	<b>\$ 2,001,284</b>	<b>\$ 2,041,310</b>	<b>\$ 2,082,136</b>	<b>\$ 2,123,779</b>	<b>\$ 2,166,254</b>	<b>\$ 2,209,579</b>



# Five Year Financial Forecast



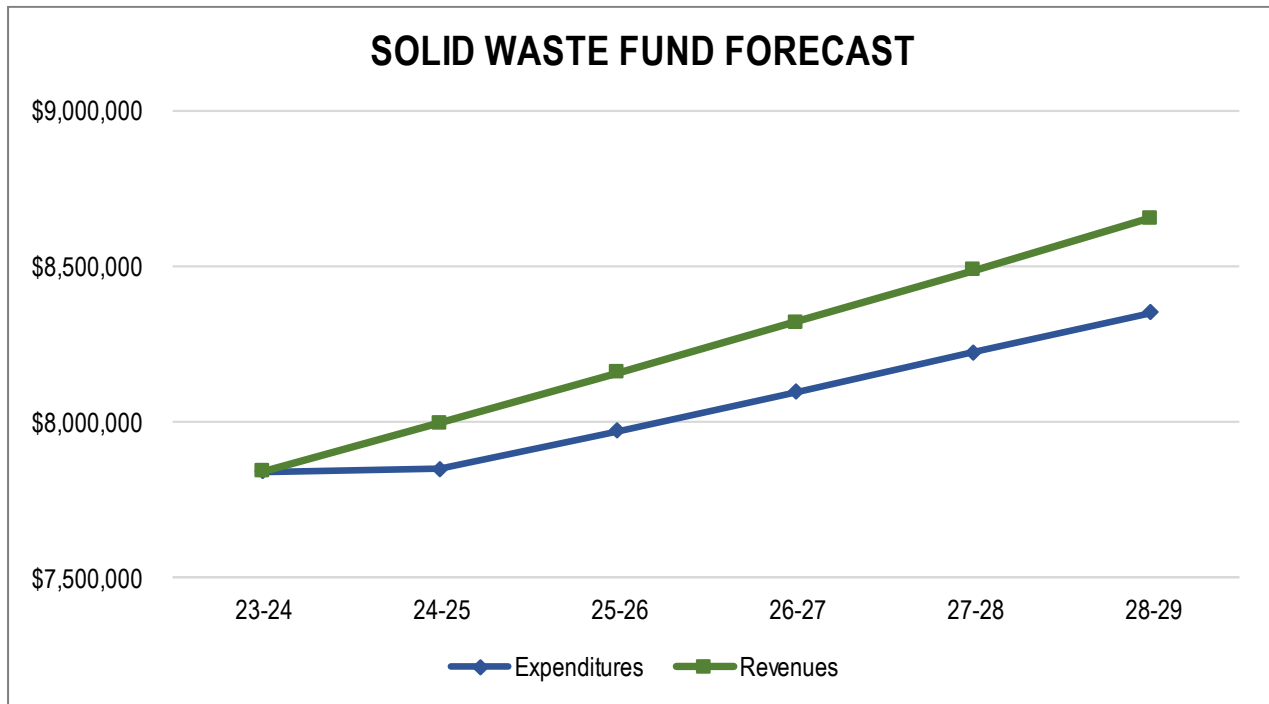
Stormwater Fund Forecast						
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Other Financing Sources	\$ 278,454	\$ 284,023	\$ 289,704	\$ 295,498	\$ 301,408	\$ 307,436
<b>Total</b>	<b>\$ 278,454</b>	<b>\$ 284,023</b>	<b>\$ 289,704</b>	<b>\$ 295,498</b>	<b>\$ 301,408</b>	<b>\$ 307,436</b>
Expenditures	23-24	24-25	25-26	26-27	27-28	28-29
Personnel	\$ 109,988	\$ 112,188	\$ 114,432	\$ 116,720	\$ 119,055	\$ 121,436
Operational	\$ 168,466	\$ 171,835	\$ 175,272	\$ 178,777	\$ 182,353	\$ 186,000
<b>Total</b>	<b>\$ 278,454</b>	<b>\$ 284,023</b>	<b>\$ 289,704</b>	<b>\$ 295,498</b>	<b>\$ 301,408</b>	<b>\$ 307,436</b>



# Five Year Financial Forecast



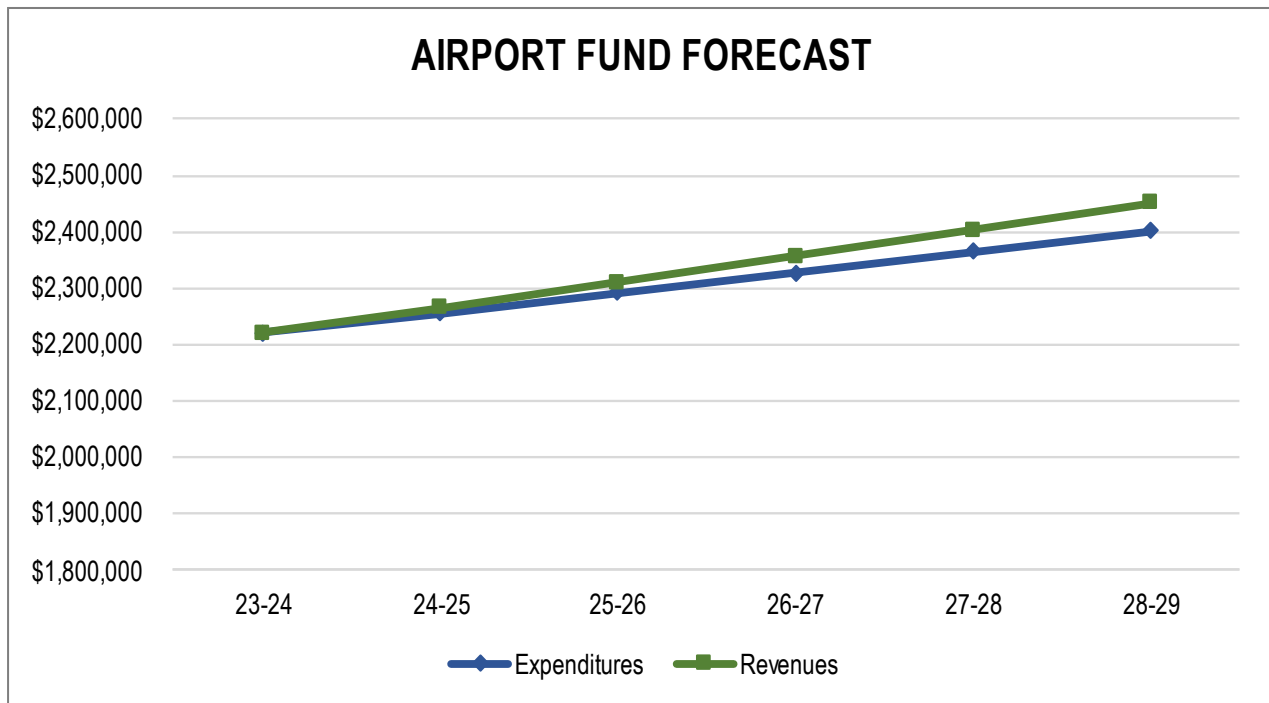
Solid Waste Fund Forecast						
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Other Taxes	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122
Sales and Services	\$ 6,833,200	\$ 6,969,864	\$ 7,109,261	\$ 7,251,447	\$ 7,396,475	\$ 7,544,405
Investment Earnings	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082
Miscellaneous	\$ 2,000	\$ 2,040	\$ 2,081	\$ 2,122	\$ 2,165	\$ 2,208
Other Financing Sources	\$ 957,068	\$ 976,209	\$ 995,734	\$ 1,015,648	\$ 1,035,961	\$ 1,056,680
<b>Total</b>	<b>\$ 7,842,268</b>	<b>\$ 7,999,113</b>	<b>\$ 8,159,096</b>	<b>\$ 8,322,278</b>	<b>\$ 8,488,723</b>	<b>\$ 8,658,498</b>
Expenditures	23-24	24-25	25-26	26-27	27-28	28-29
Personnel	\$ 2,353,666	\$ 2,400,739	\$ 2,448,754	\$ 2,497,729	\$ 2,547,684	\$ 2,598,637
Operational	\$ 3,286,405	\$ 3,319,269	\$ 3,352,462	\$ 3,385,986	\$ 3,419,846	\$ 3,454,045
Capital	\$ 1,586,500	\$ 1,618,230	\$ 1,650,595	\$ 1,683,606	\$ 1,717,279	\$ 1,751,624
Contingency	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Debt Service	\$ 113,170	\$ -	\$ -	\$ -	\$ -	\$ -
Pro-Rata Reimbursements	\$ 452,527	\$ 461,578	\$ 470,809	\$ 480,225	\$ 489,830	\$ 499,626
<b>Total</b>	<b>\$ 7,842,268</b>	<b>\$ 7,849,816</b>	<b>\$ 7,972,620</b>	<b>\$ 8,097,547</b>	<b>\$ 8,224,638</b>	<b>\$ 8,353,933</b>



# Five Year Financial Forecast



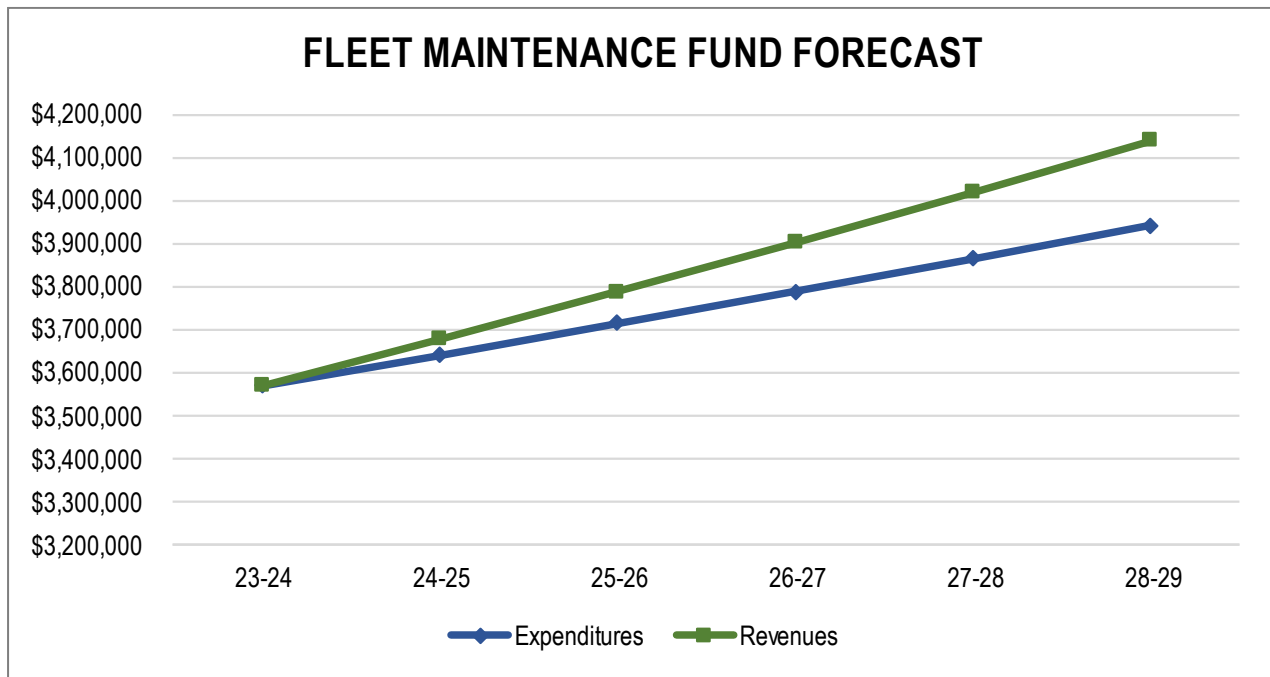
Airport Fund Forecast						
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Sales and Services	\$ 1,857,352	\$ 1,894,499	\$ 1,932,389	\$ 1,971,037	\$ 2,010,458	\$ 2,050,667
Restricted Governmental	\$ 108,000	\$ 110,160	\$ 112,363	\$ 114,610	\$ 116,903	\$ 119,241
Investment Earnings	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 5,520
Other Financing Sources	\$ 250,000	\$ 255,000	\$ 260,100	\$ 265,302	\$ 270,608	\$ 276,020
<b>Total</b>	<b>\$ 2,220,352</b>	<b>\$ 2,264,759</b>	<b>\$ 2,310,054</b>	<b>\$ 2,356,255</b>	<b>\$ 2,403,380</b>	<b>\$ 2,451,448</b>
Expenditures	23-24	24-25	25-26	26-27	27-28	28-29
Personnel	\$ 899,696	\$ 917,690	\$ 936,044	\$ 954,765	\$ 973,860	\$ 993,337
Operational	\$ 553,427	\$ 558,961	\$ 564,551	\$ 570,196	\$ 575,898	\$ 581,657
Capital	\$ 430,000	\$ 438,600	\$ 447,372	\$ 456,319	\$ 465,446	\$ 474,755
Contingency	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Pro-Rata Reimbursements	\$ 137,229	\$ 139,974	\$ 142,773	\$ 145,629	\$ 148,541	\$ 151,512
<b>Total</b>	<b>\$ 2,220,352</b>	<b>\$ 2,255,225</b>	<b>\$ 2,290,740</b>	<b>\$ 2,326,909</b>	<b>\$ 2,363,745</b>	<b>\$ 2,401,261</b>



# Five Year Financial Forecast



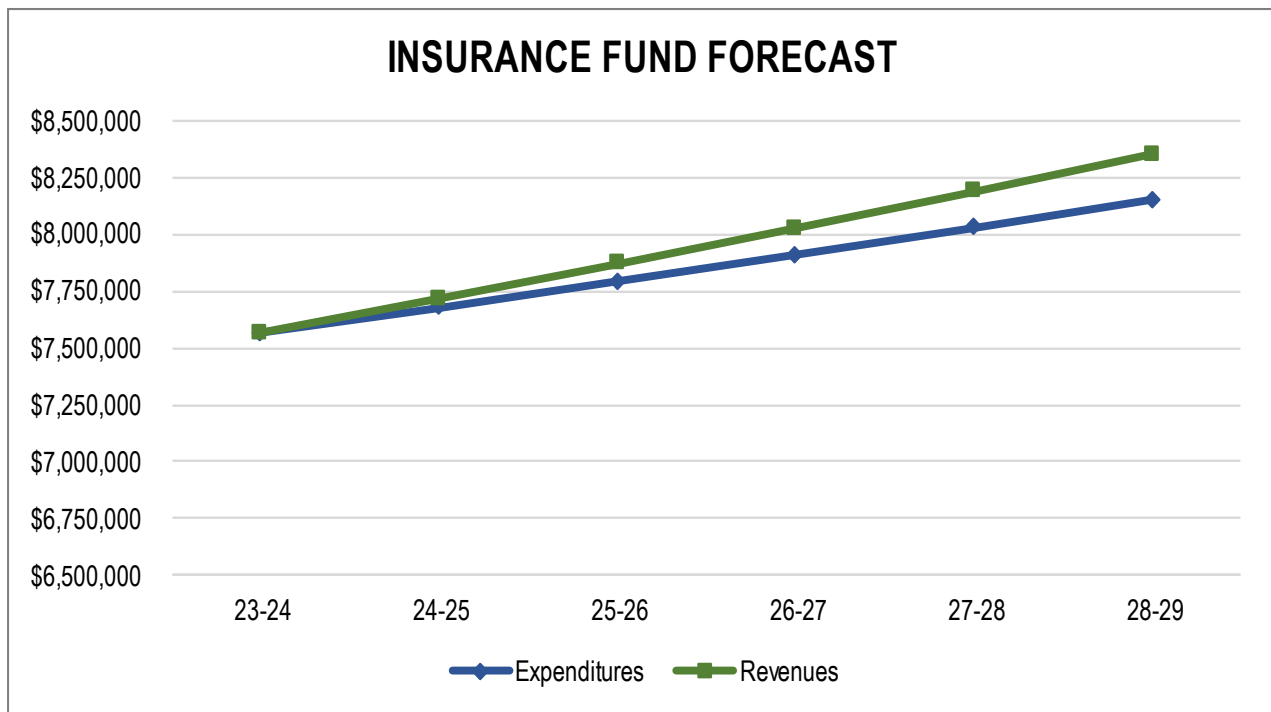
Fleet Maintenance Fund Forecast						
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Sales and Services	\$ 3,569,998	\$ 3,677,098	\$ 3,787,411	\$ 3,901,033	\$ 4,018,064	\$ 4,138,606
<b>Total</b>	<b>\$ 3,569,998</b>	<b>\$ 3,677,098</b>	<b>\$ 3,787,411</b>	<b>\$ 3,901,033</b>	<b>\$ 4,018,064</b>	<b>\$ 4,138,606</b>
Expenditures	23-24	24-25	25-26	26-27	27-28	28-29
Personnel	\$ 841,123	\$ 857,945	\$ 875,104	\$ 892,606	\$ 910,459	\$ 928,668
Operational	\$ 2,340,785	\$ 2,387,601	\$ 2,435,353	\$ 2,484,060	\$ 2,533,741	\$ 2,584,416
Capital	\$ 90,500	\$ 92,310	\$ 94,156	\$ 96,039	\$ 97,960	\$ 99,919
Pro-Rata Reimbursements	\$ 297,590	\$ 303,542	\$ 309,613	\$ 315,805	\$ 322,121	\$ 328,563
<b>Total</b>	<b>\$ 3,569,998</b>	<b>\$ 3,641,398</b>	<b>\$ 3,714,226</b>	<b>\$ 3,788,510</b>	<b>\$ 3,864,281</b>	<b>\$ 3,941,566</b>



# Five Year Financial Forecast



Insurance Fund Forecast						
Revenues	23-24	24-25	25-26	26-27	27-28	28-29
Sales and Services	\$ 7,455,180	\$ 7,604,284	\$ 7,756,369	\$ 7,911,497	\$ 8,069,727	\$ 8,231,121
Investment Earnings	\$ 60,000	\$ 61,200	\$ 62,424	\$ 63,672	\$ 64,946	\$ 66,245
Other Financing Sources	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,122	\$ 55,204
<b>Total</b>	<b>\$ 7,565,180</b>	<b>\$ 7,716,484</b>	<b>\$ 7,870,813</b>	<b>\$ 8,028,230</b>	<b>\$ 8,188,794</b>	<b>\$ 8,352,570</b>
Expenditures						
Operational	\$ 7,565,180	\$ 7,678,658	\$ 7,793,838	\$ 7,910,745	\$ 8,029,406	\$ 8,149,847
<b>Total</b>	<b>\$ 7,565,180</b>	<b>\$ 7,678,658</b>	<b>\$ 7,793,838</b>	<b>\$ 7,910,745</b>	<b>\$ 8,029,406</b>	<b>\$ 8,149,847</b>





# Performance Measurement

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The City of Hickory places a strong emphasis on quality improvement through performance measurement. Performance measures identify the results achieved and the benefits delivered to citizens and indicate how well government resources are being used.

Since FY1998-1999 the City has participated in the North Carolina Local Government Performance Measurement Project (NCPMP). The primary purpose of the project is to develop a model that North Carolina cities can duplicate and use to support ongoing efforts in performance measurement and benchmarking. One of the greatest benefits of the project is the annual "Benchmarking Meetings," in which the participating cities convene to discuss their service-area processes. This interactive method among peers allows the appropriate city staff an opportunity to learn and explore possible avenues towards enhancing efficiency and effectiveness in their own jurisdictions. Hickory representatives from the Budget Office and representative departments typically attend and participate in these sessions held at the UNC School of Government in Chapel Hill.

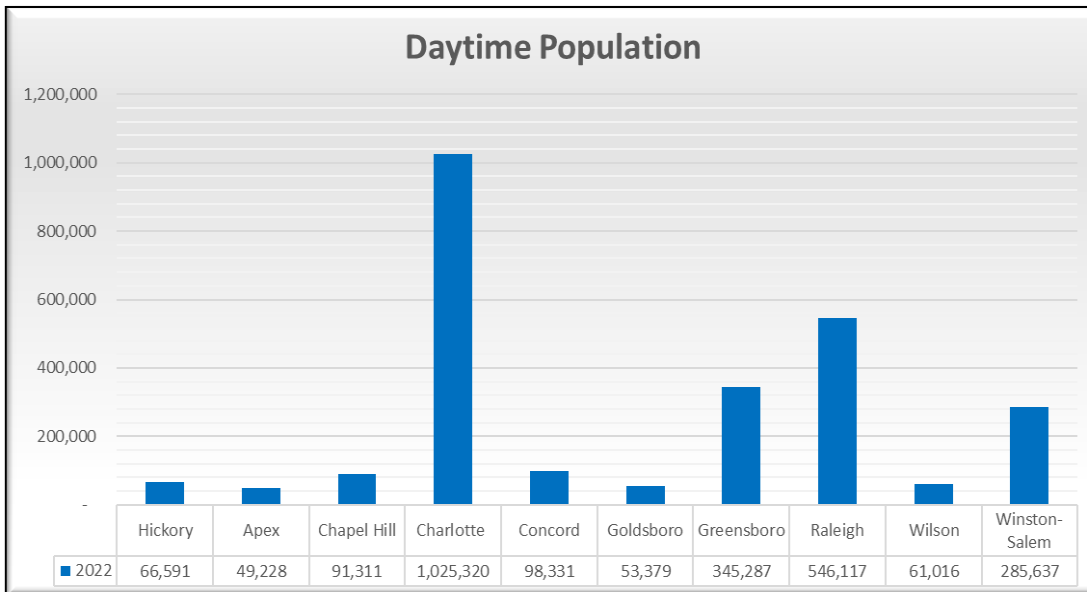
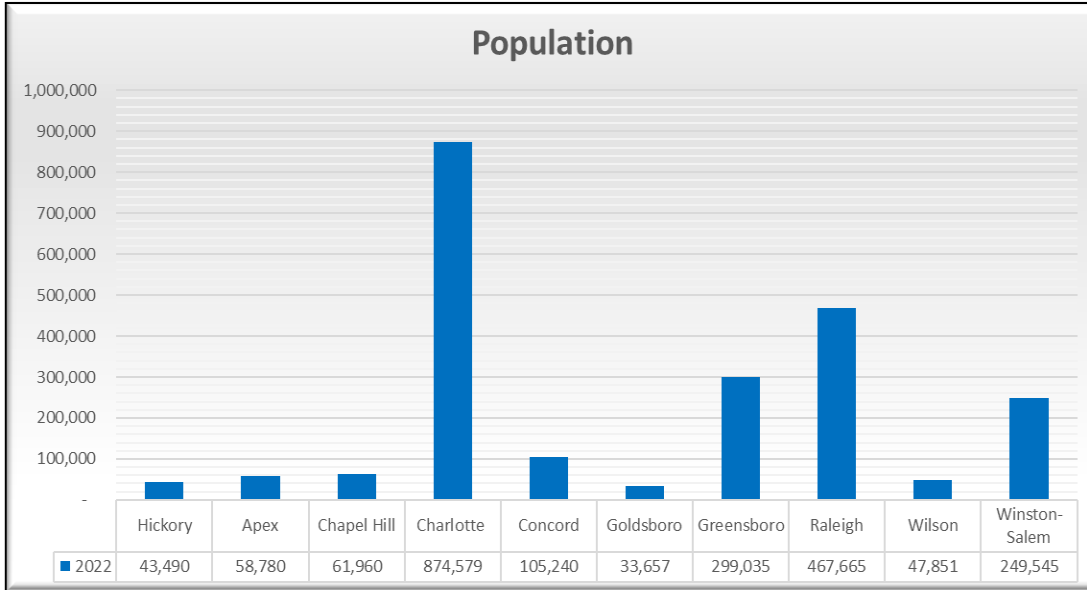
In 2022, the Benchmarking Project relaunched as Benchmarking 2.0 with a new emphasis on collaboration and relationship-building. Benchmarking 2.0 offers revised framework metrics, streamlined data collection, an interactive online dashboard, and intensive in-person performance strategy sessions. Through access to an intuitive dashboard of data, performance strategy sessions; and annual benchmarking reports, Hickory can both develop solutions to systemic organizational issues and replicate successes throughout other sectors.

The City of Hickory reports on the following service areas:

- Residential Refuse Collection
- Household Recycling
- Yard Waste & Leaf Collection
- Police Services
- Emergency Communications
- Asphalt Maintenance and Repair
- Fire Services
- Fleet Maintenance
- Central Human Resources
- Water Services
- Wastewater Services
- Core Parks and Recreation

Current participants in the NCBMP include the cities of: Apex, Chapel Hill, Charlotte, Concord, Goldsboro, Greensboro, Hickory, Raleigh, Wilson, and Winston-Salem. The following are the most recent services measured (FY2021-2022) and a sampling of the results.

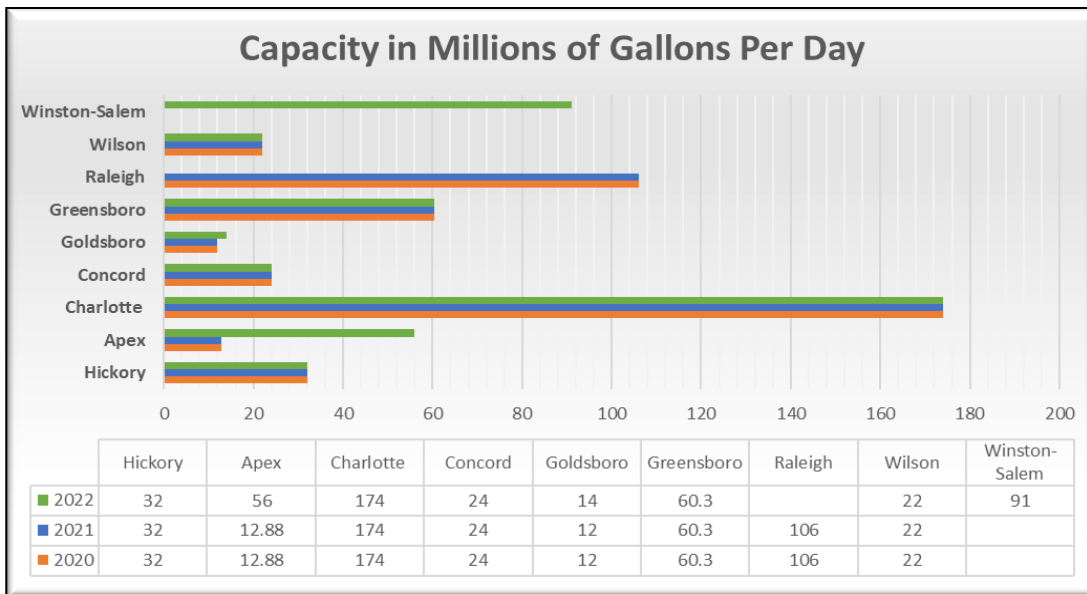
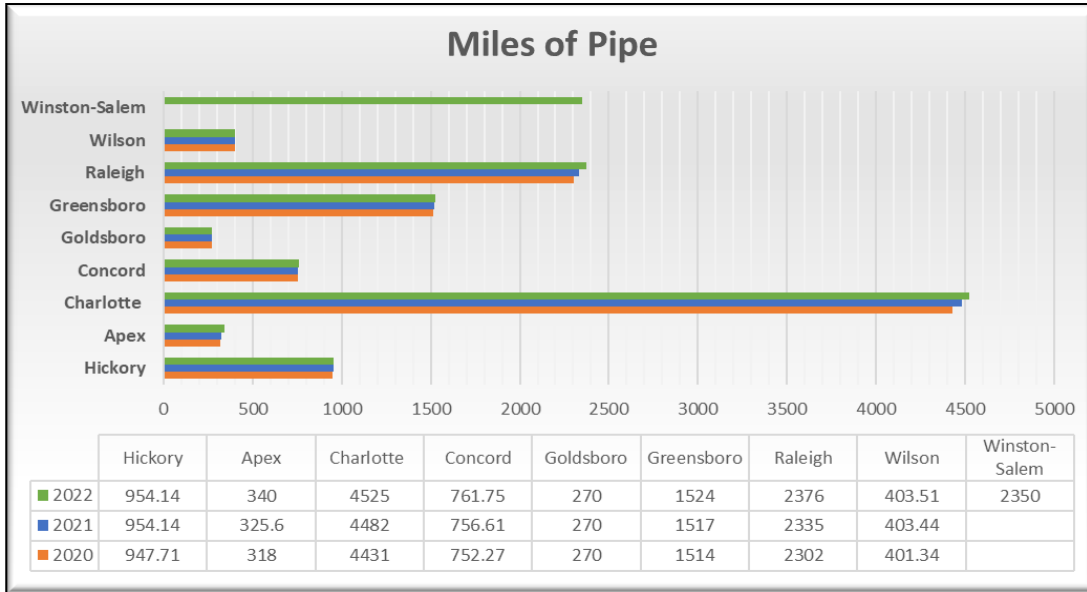
## General Statistics



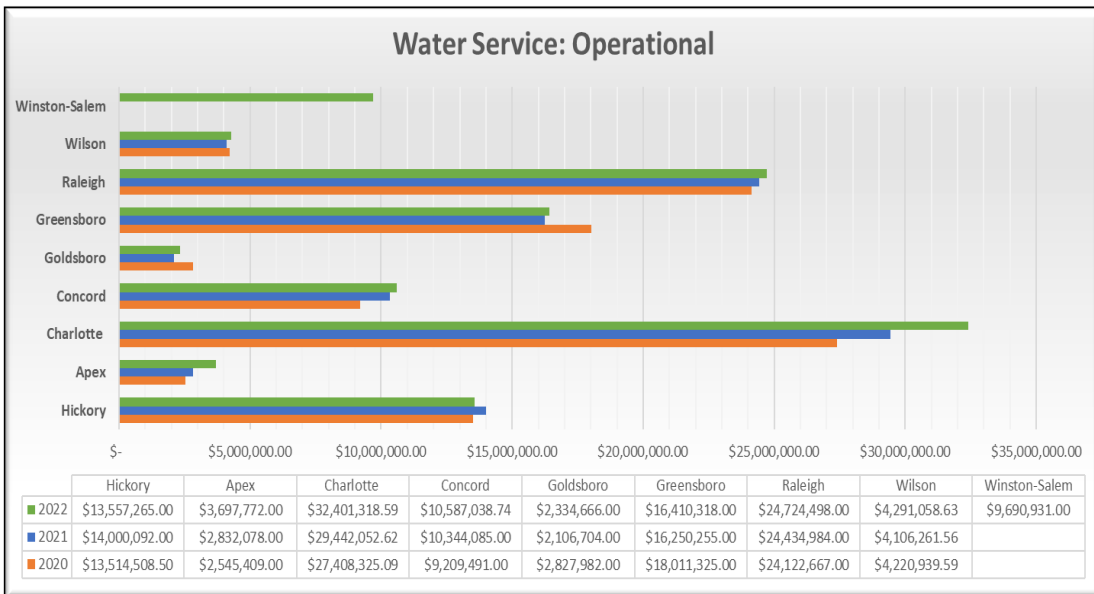
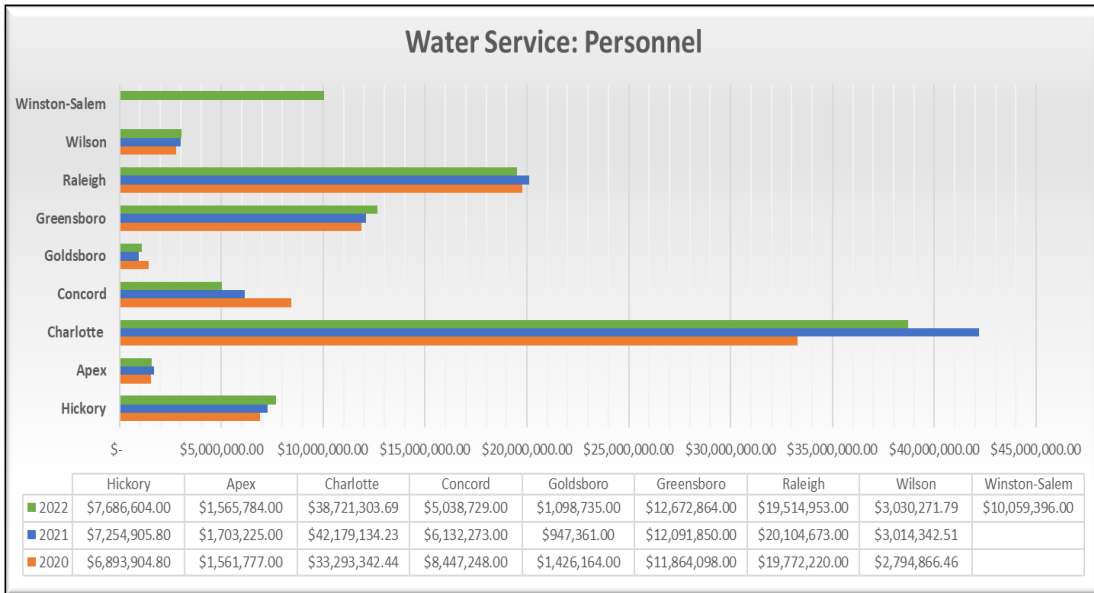
\*Data from the 2016-2020 American Community Survey, found at [data.census.gov](https://data.census.gov), was used to calculate the daytime population using the formula below:

$$\text{Daytime population} = \text{Total resident population} + \text{Total workers working in area} - \text{Total workers living in area}$$

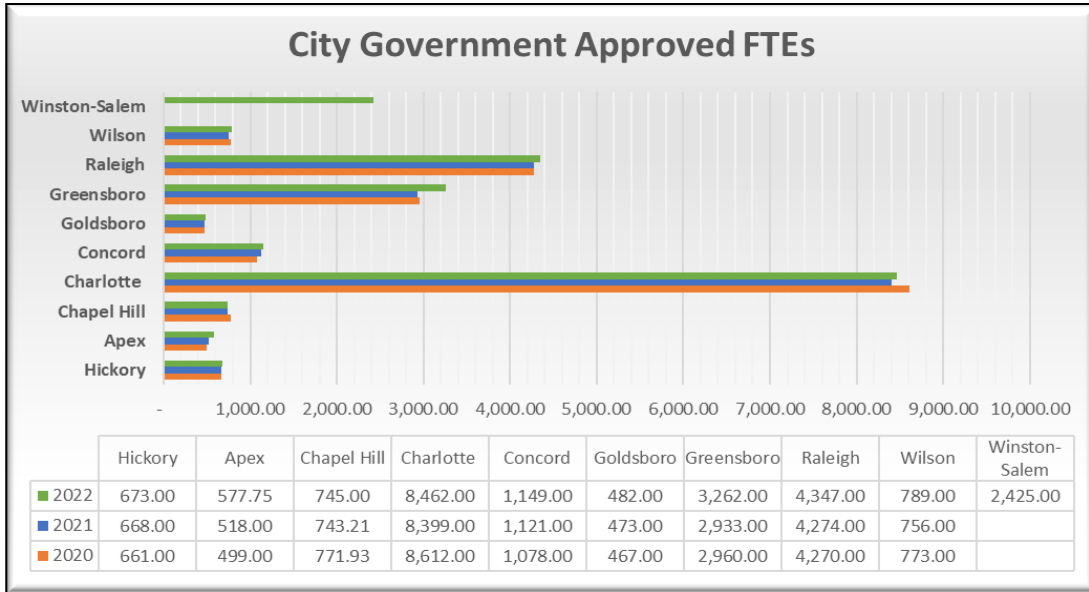
## Water Services



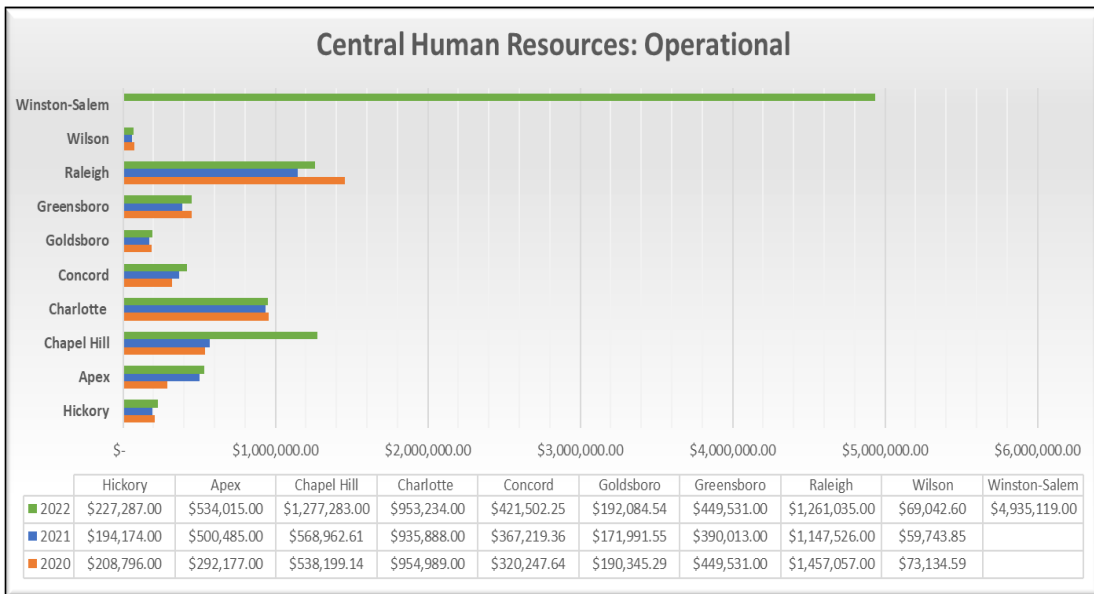
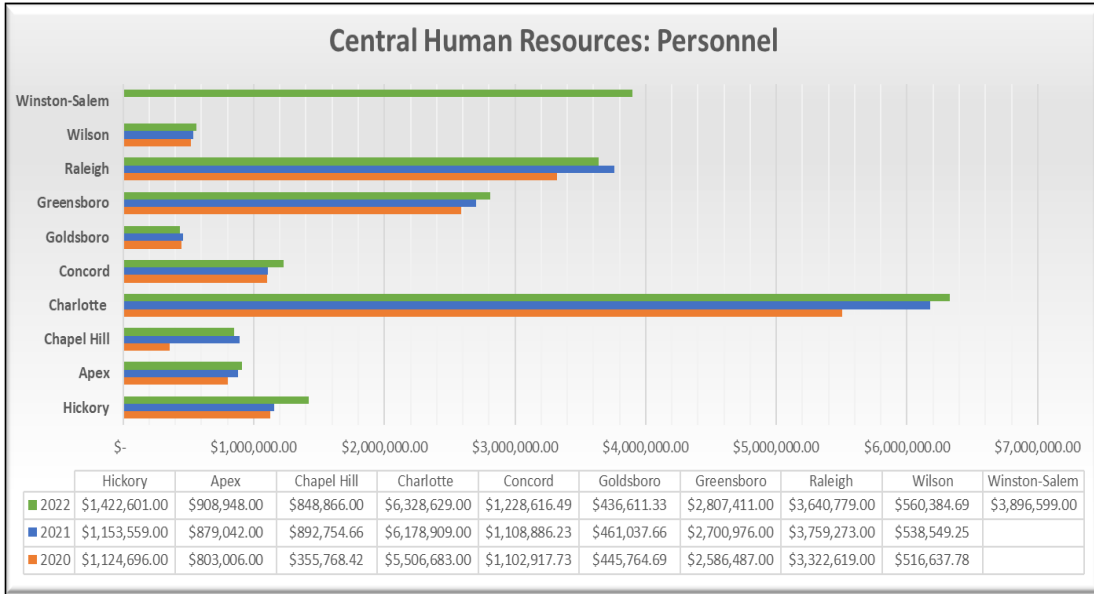
# Performance Measurement



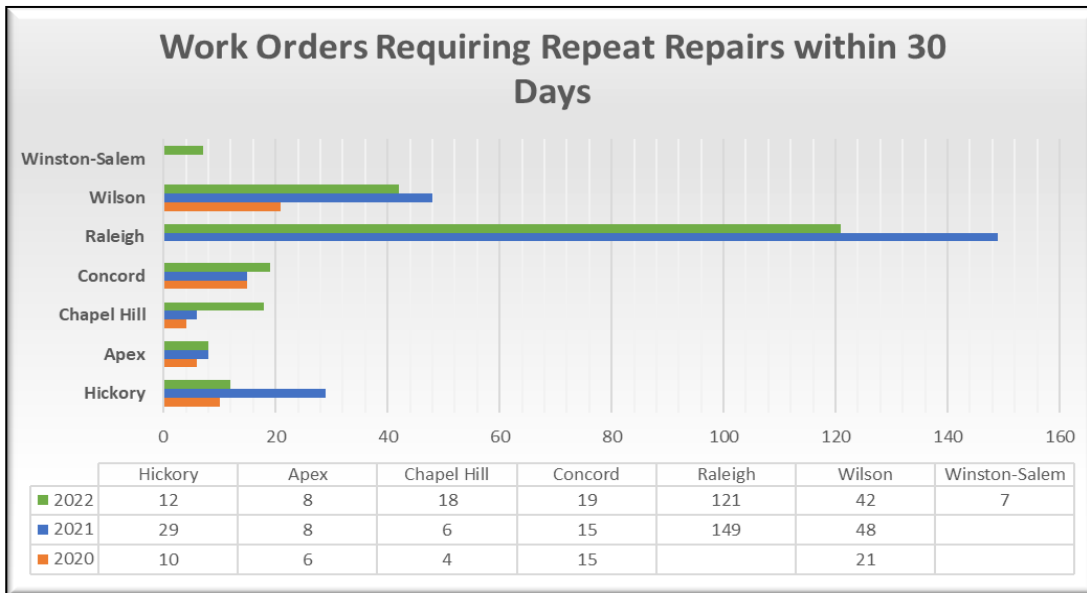
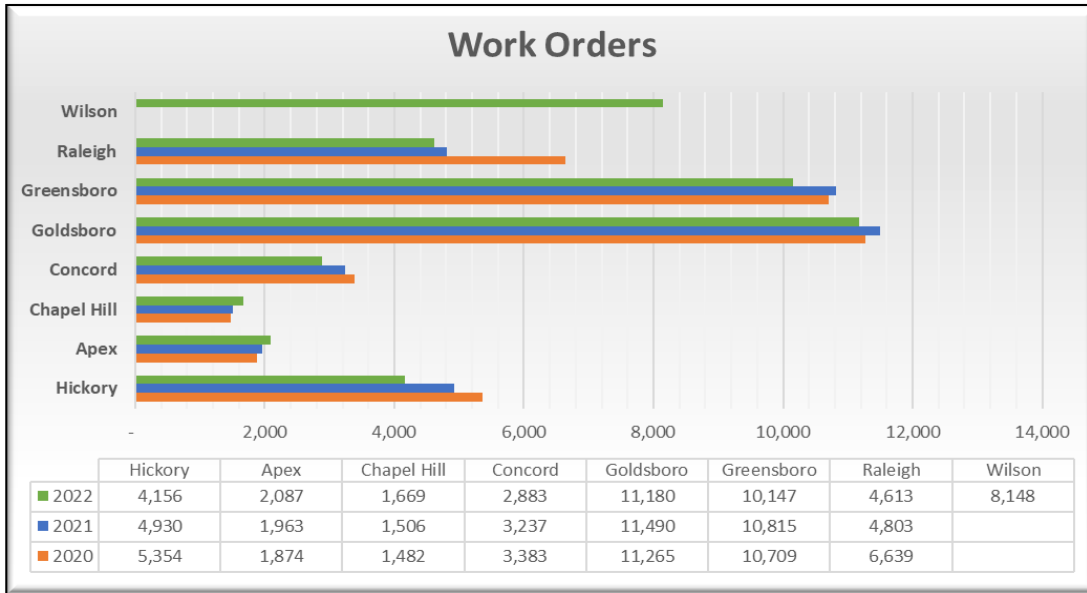
## Human Resources



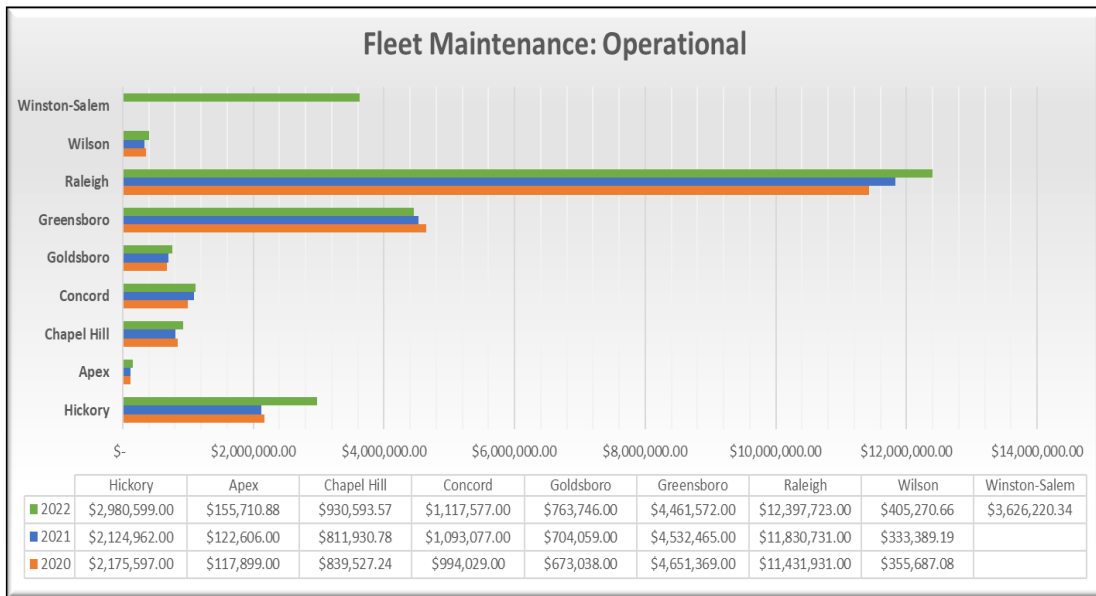
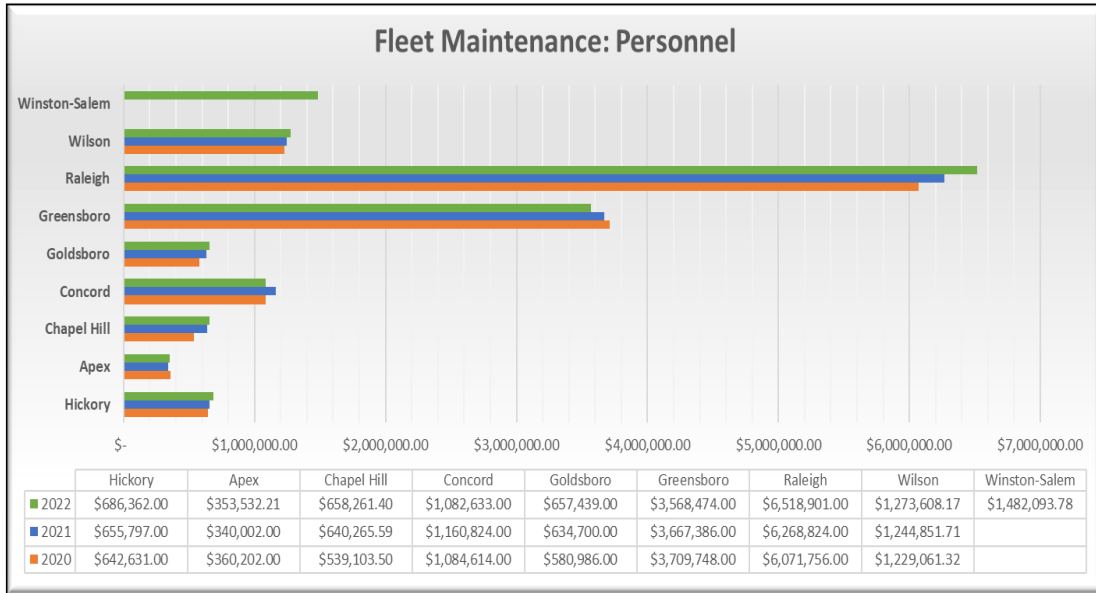
# Performance Measurement



## Fleet Maintenance

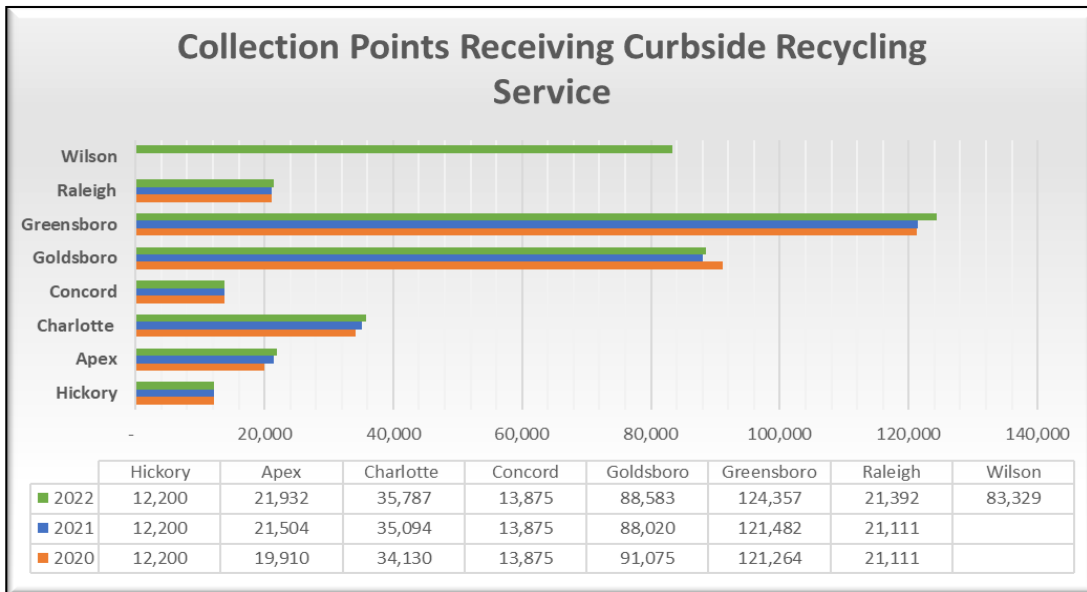
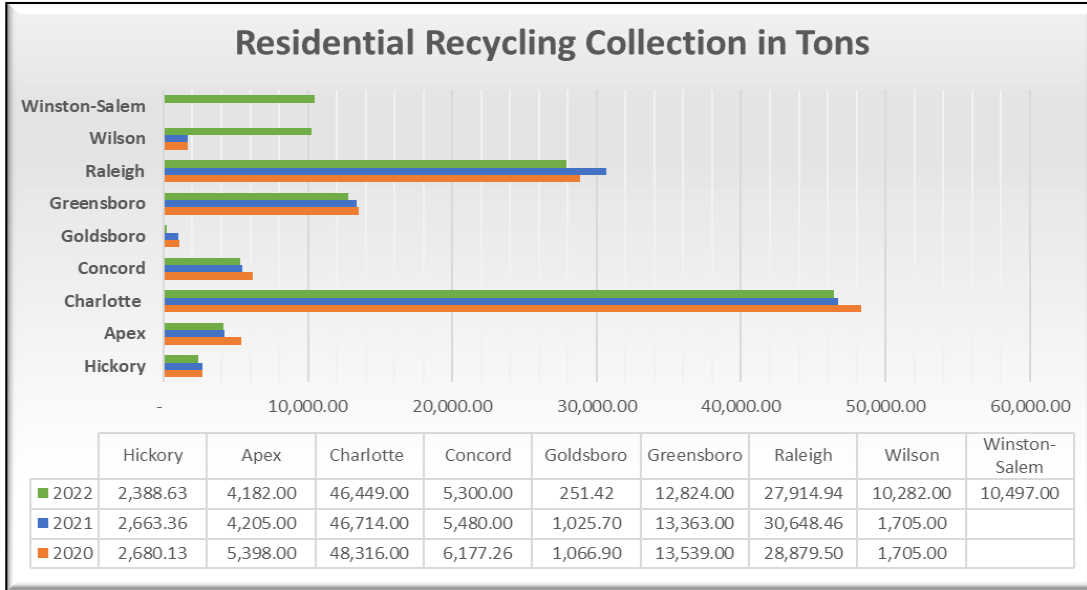


# Performance Measurement

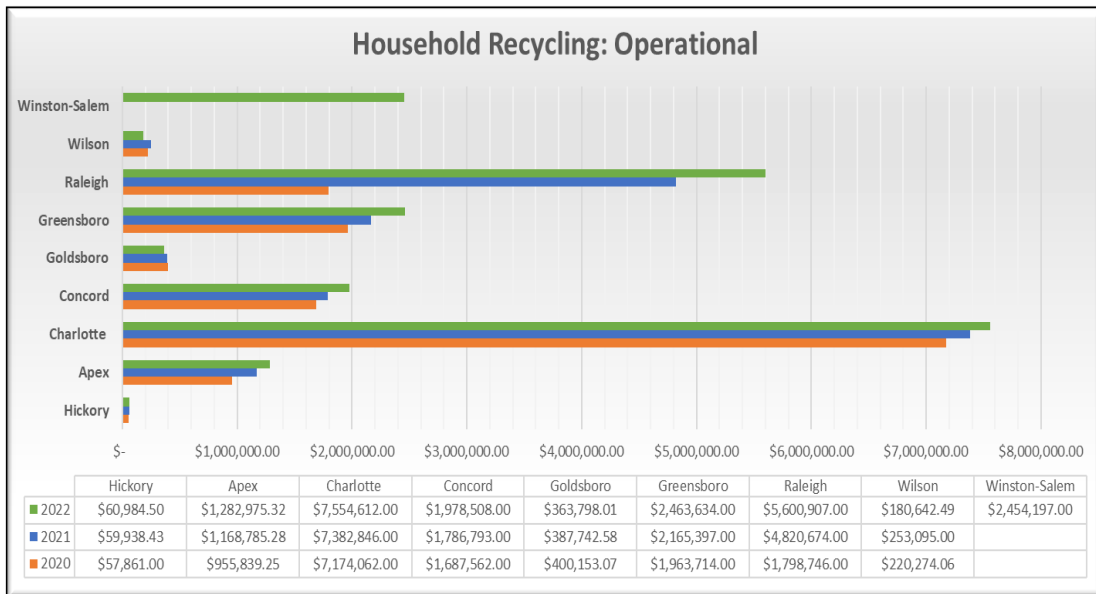
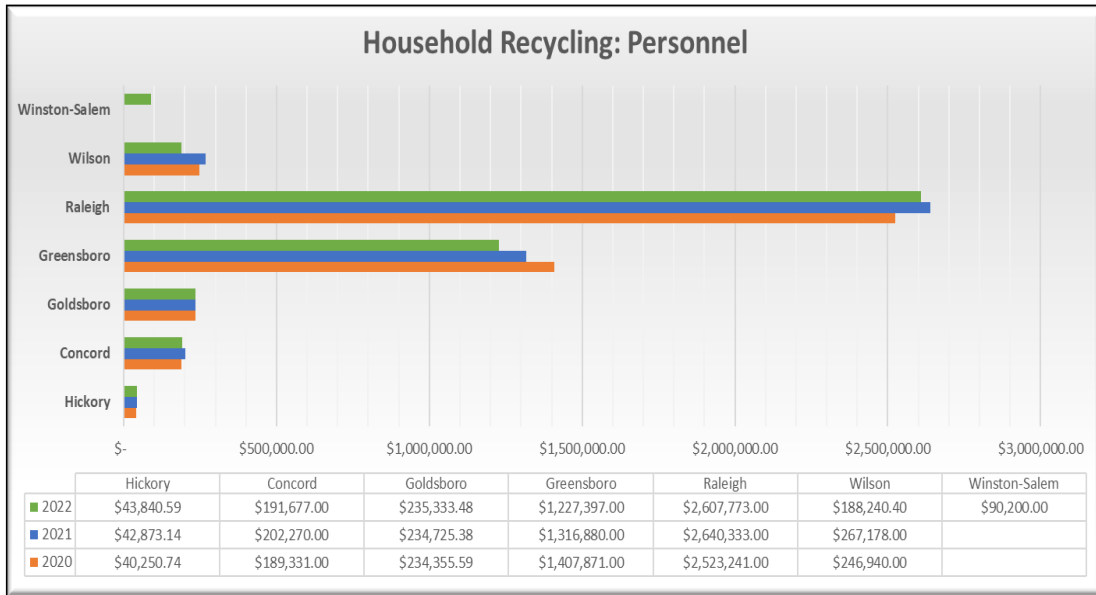




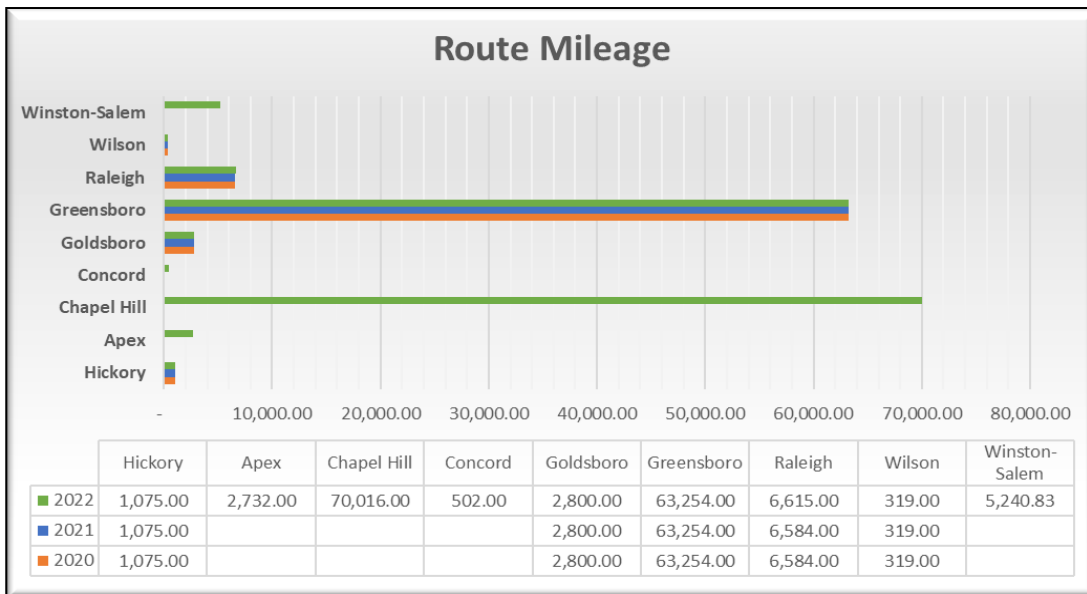
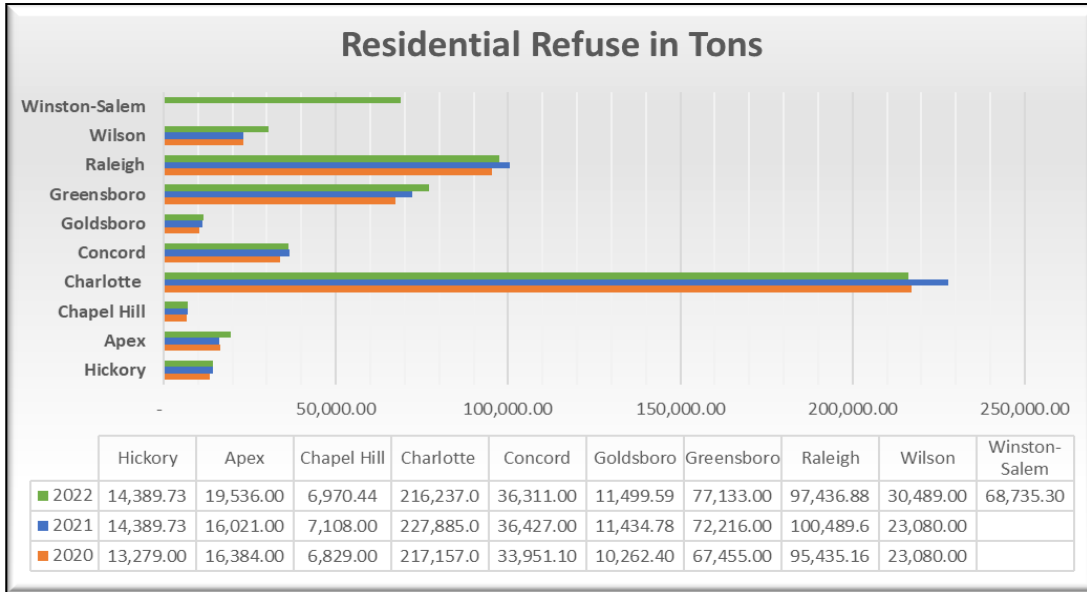
## Household Recycling



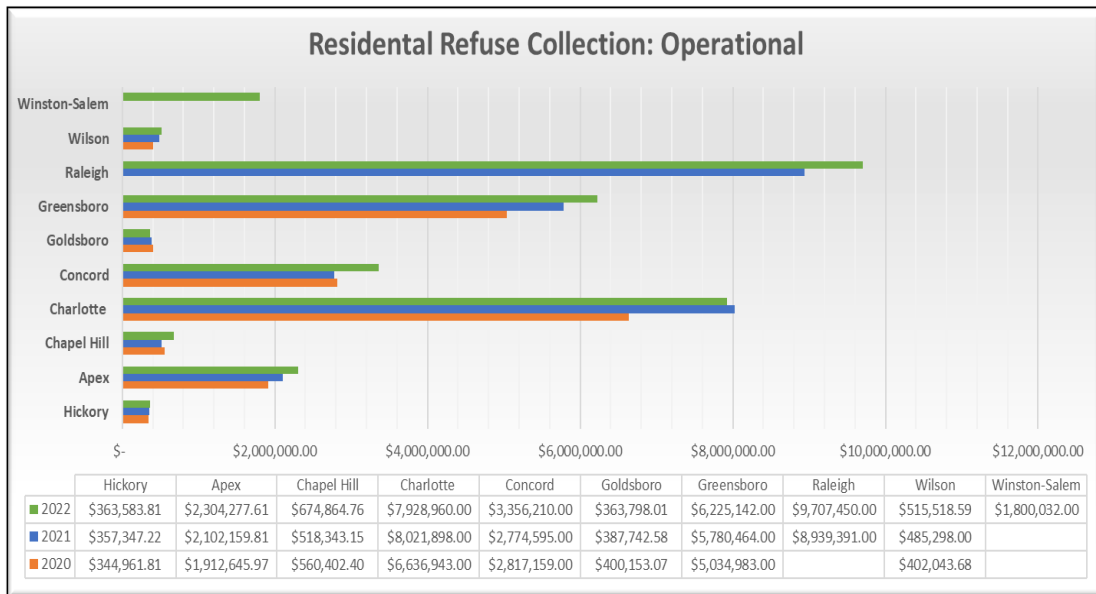
# Performance Measurement



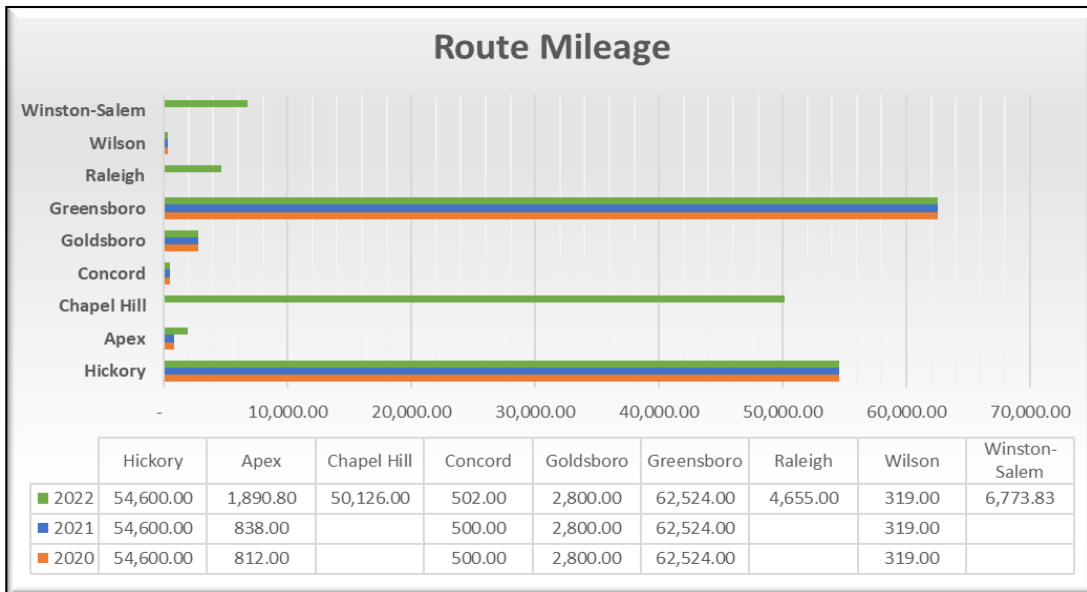
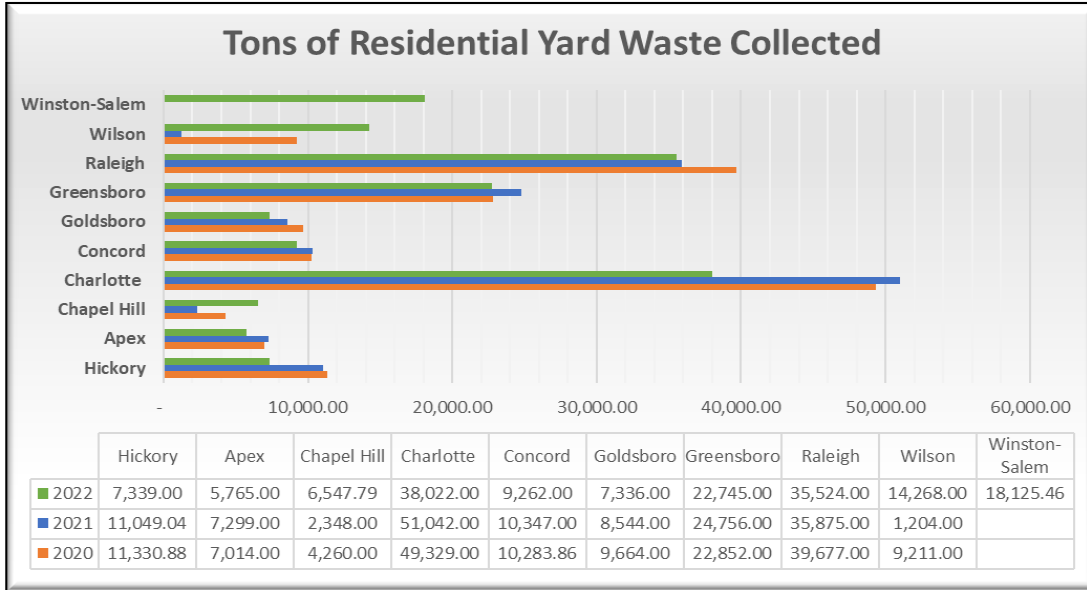
## Residential Refuse Collection



# Performance Measurement



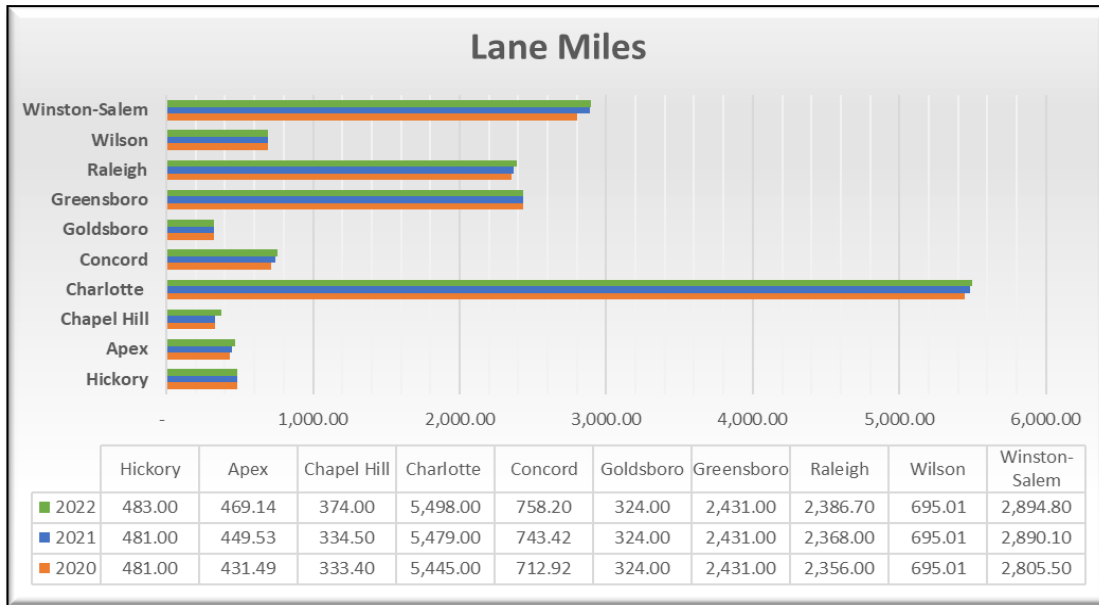
## Yard Waste and Leaf Collection



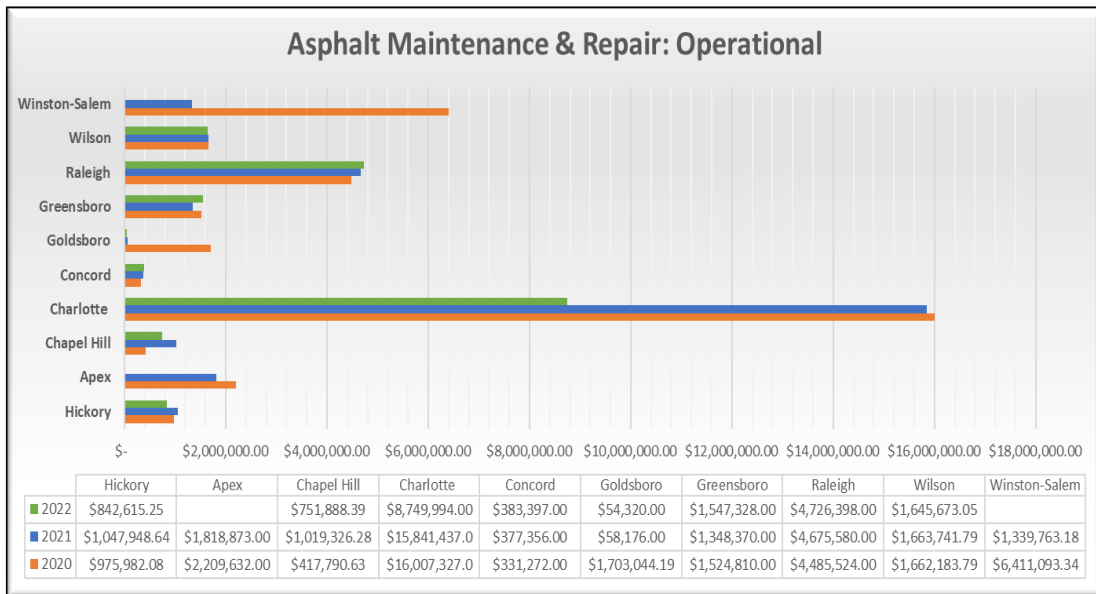
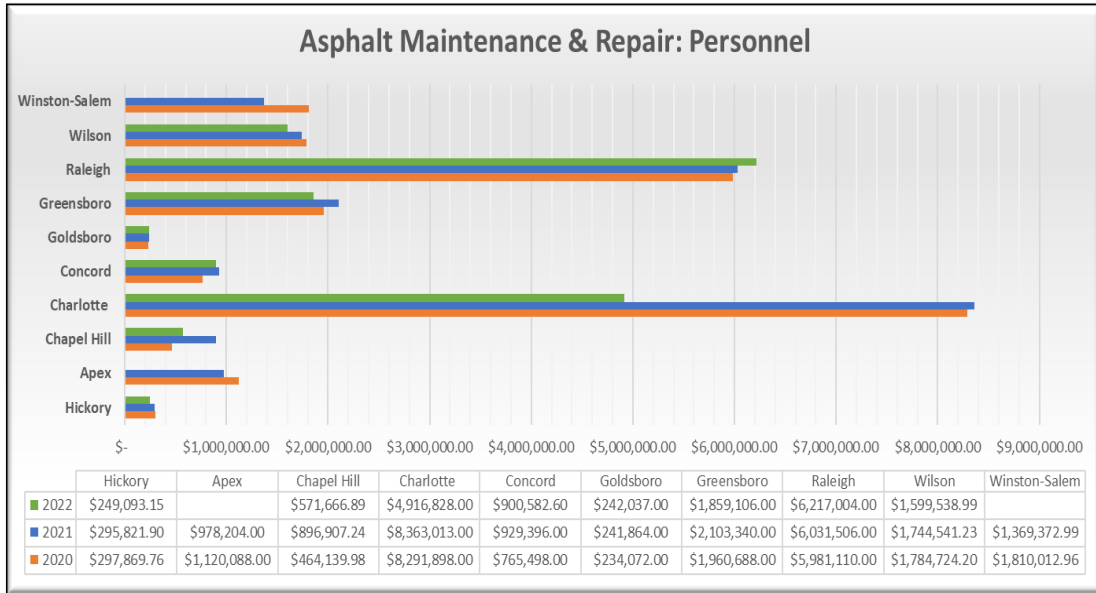
# Performance Measurement



## Asphalt Maintenance

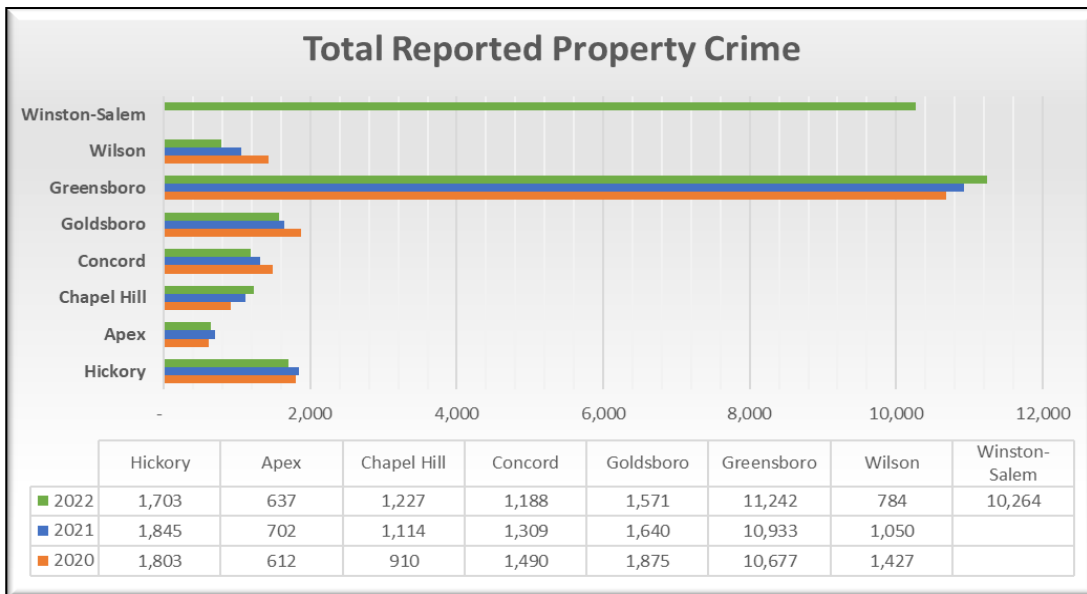
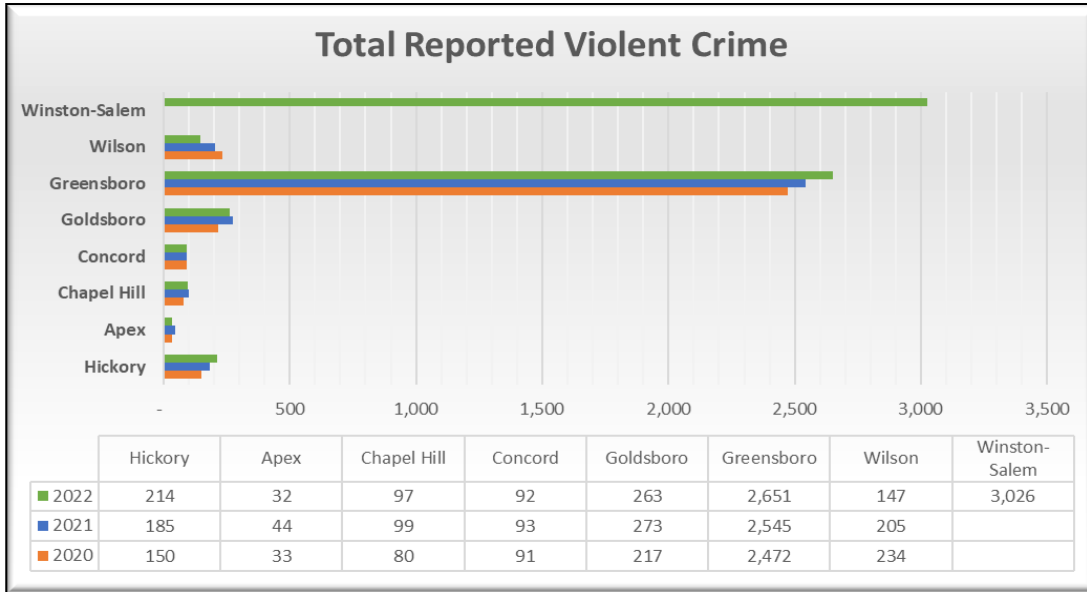


# Performance Measurement

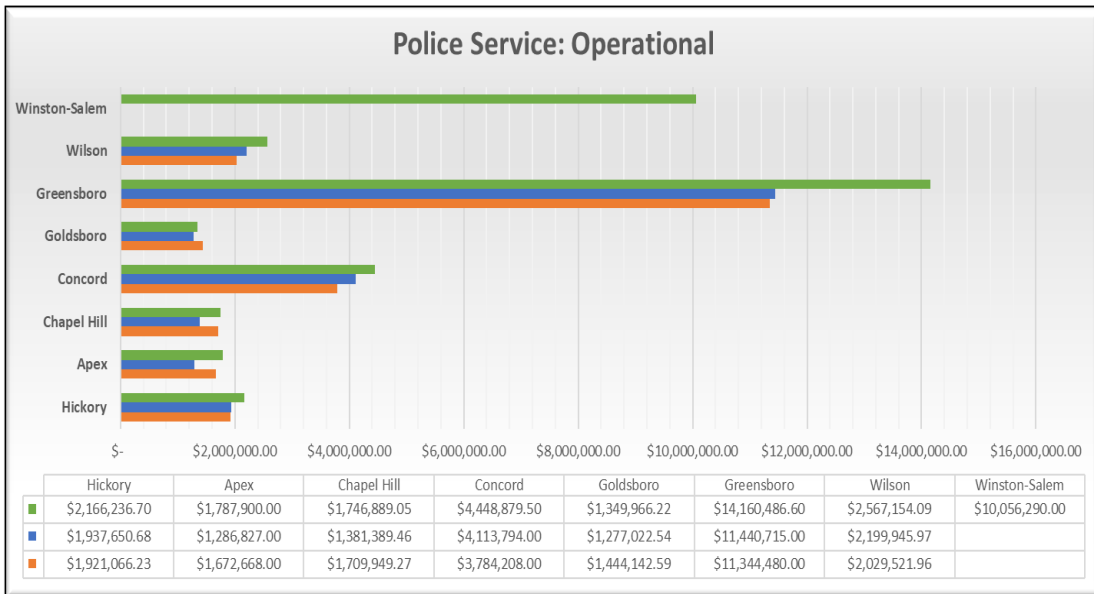
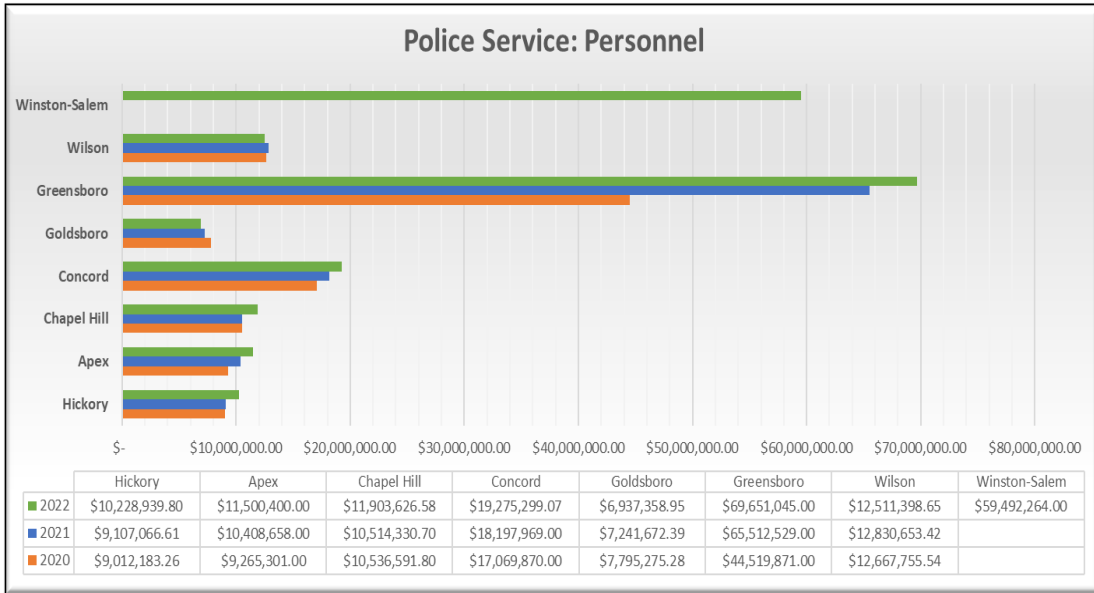




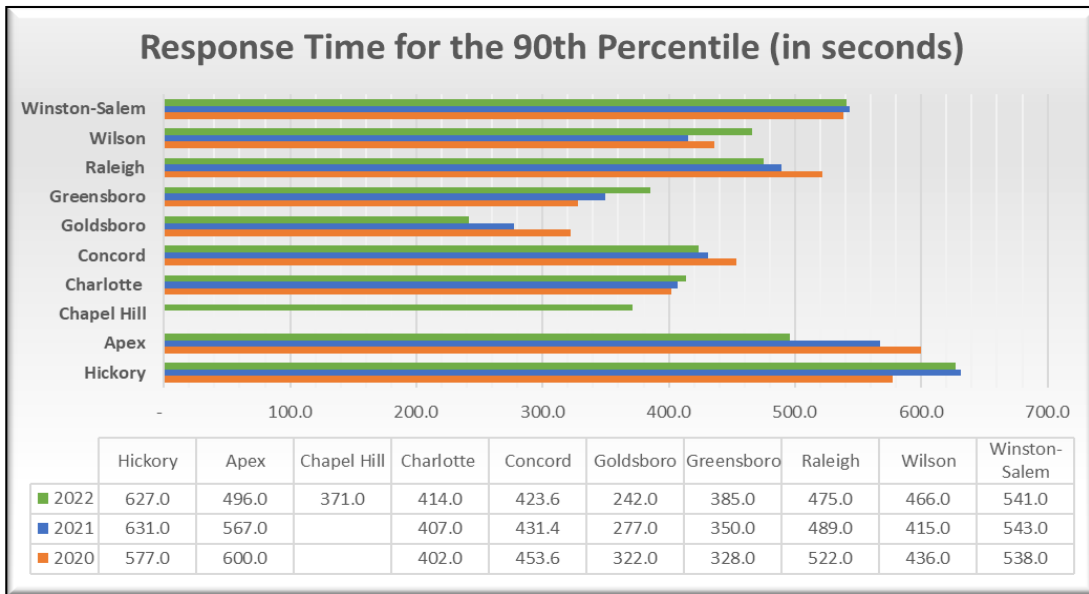
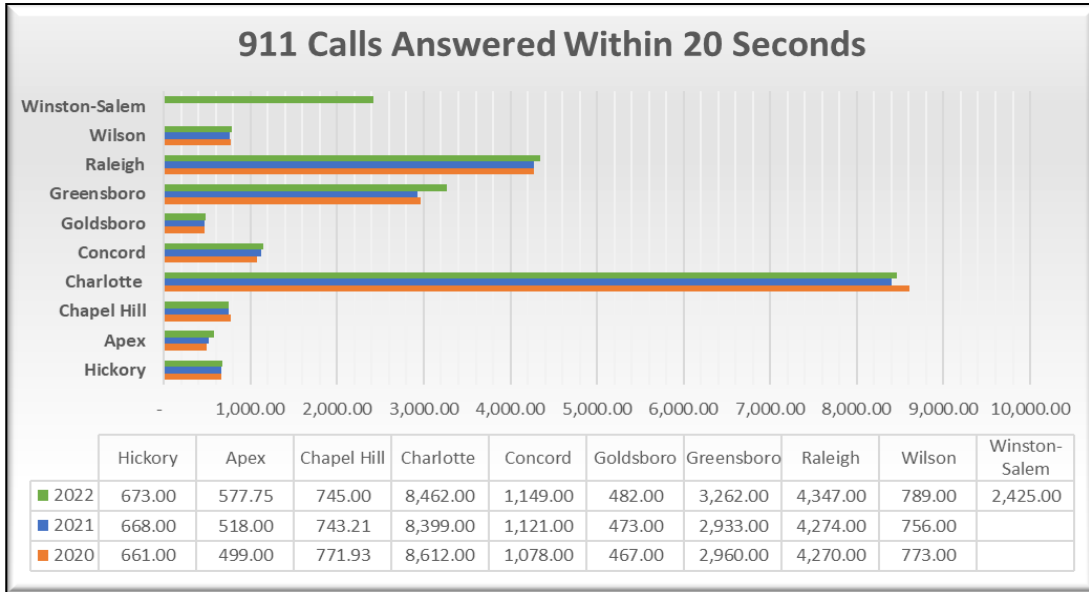
## Police Services



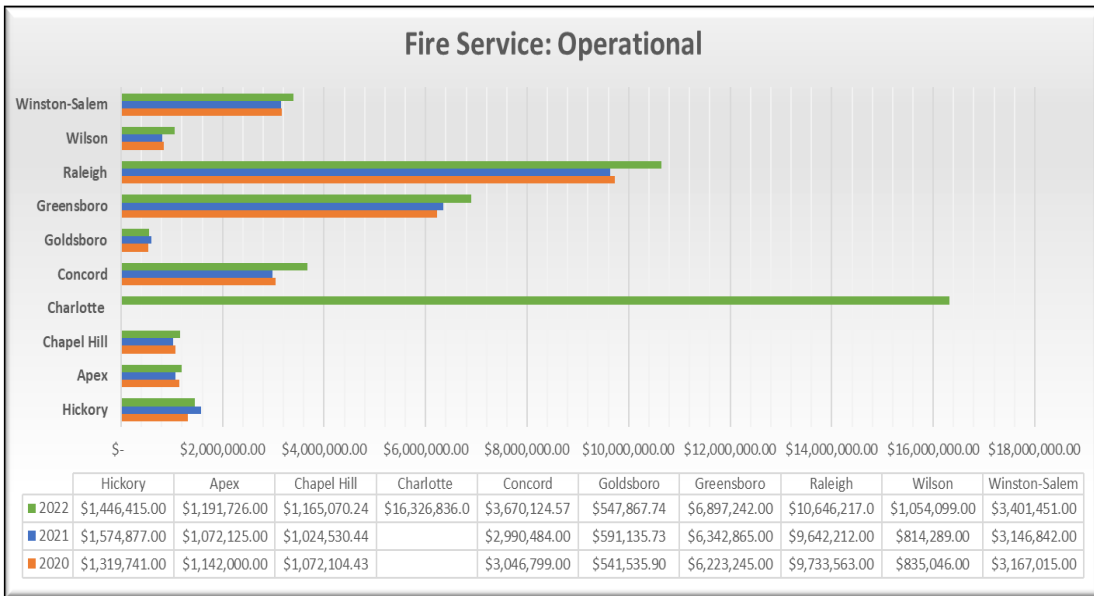
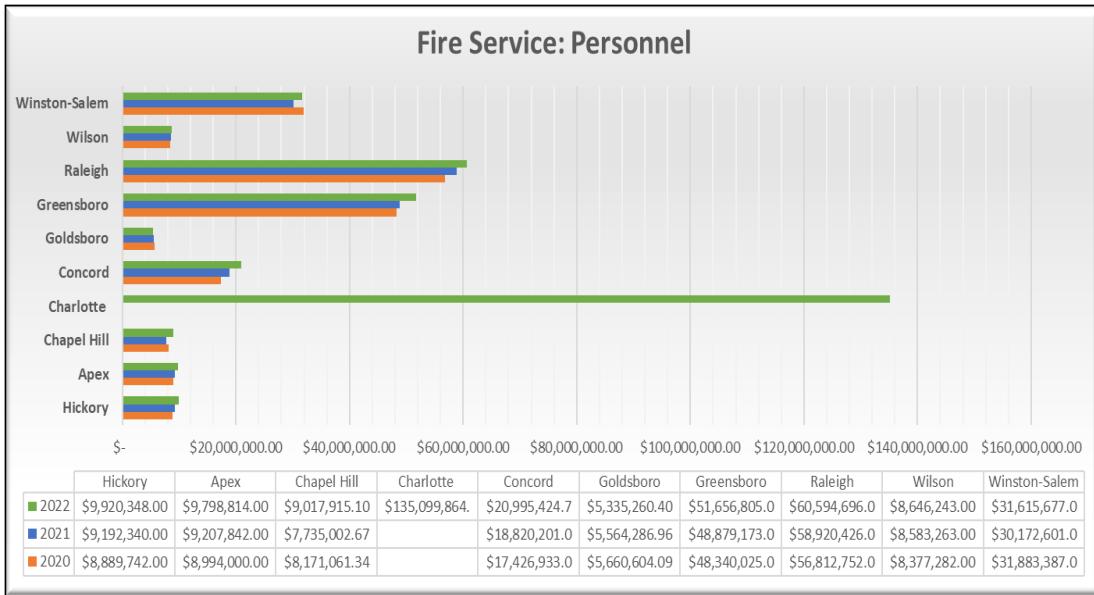
# Performance Measurement



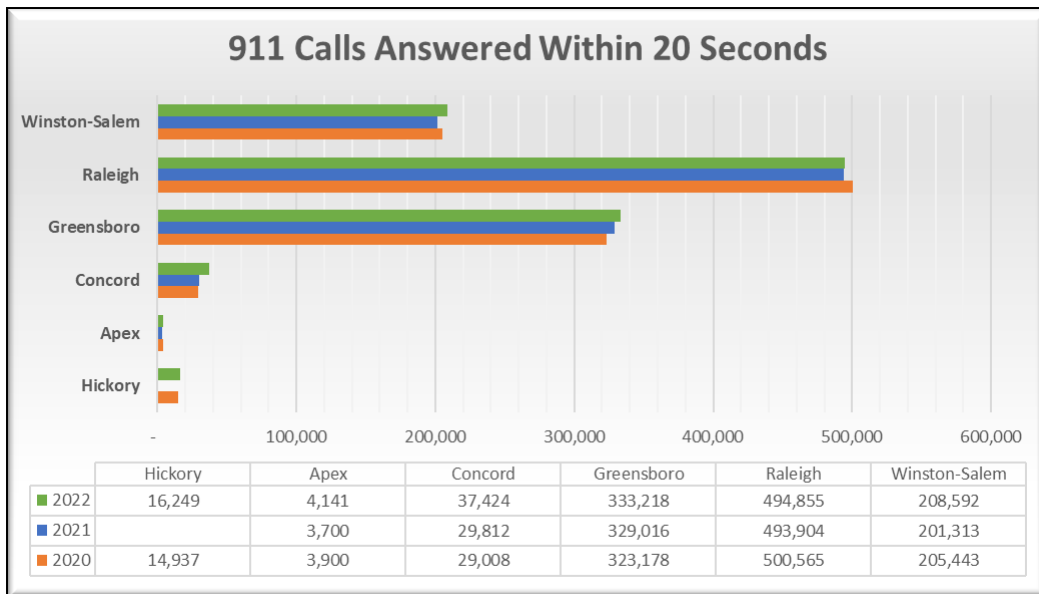
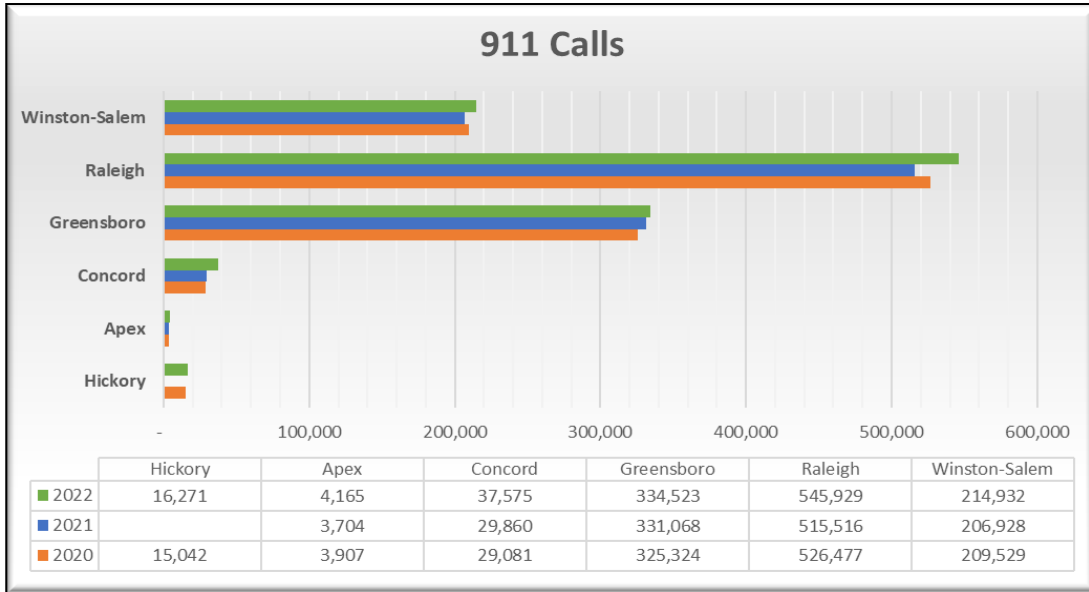
## Fire Services



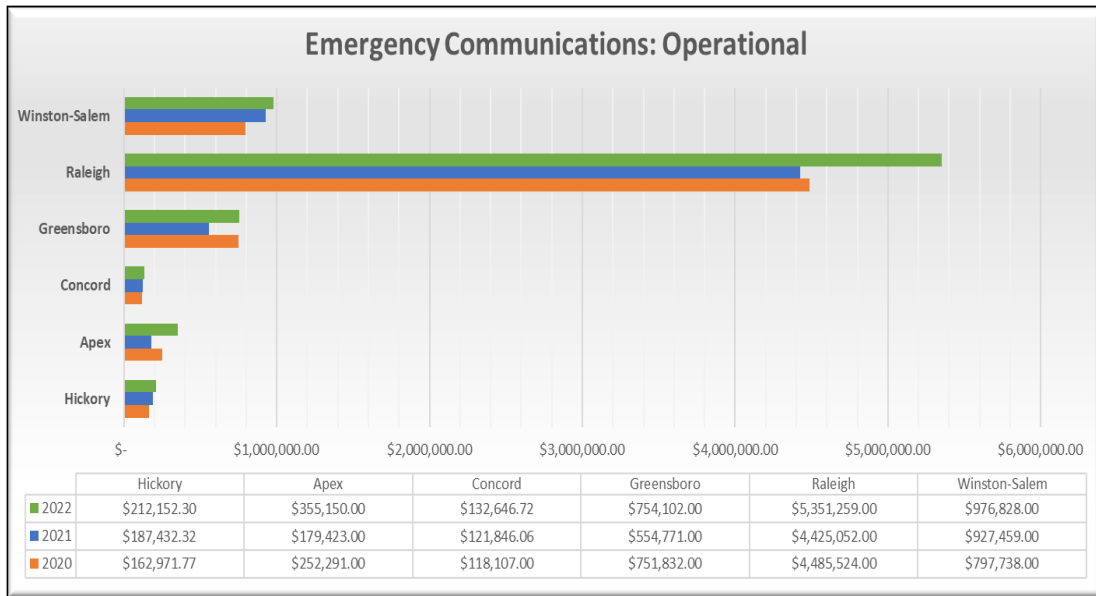
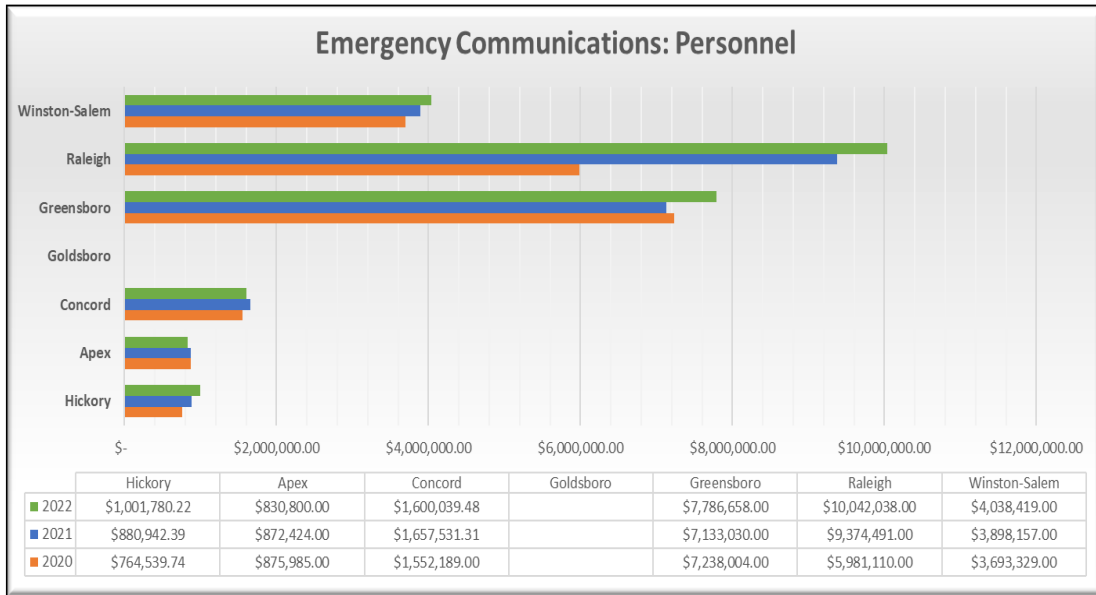
# Performance Measurement



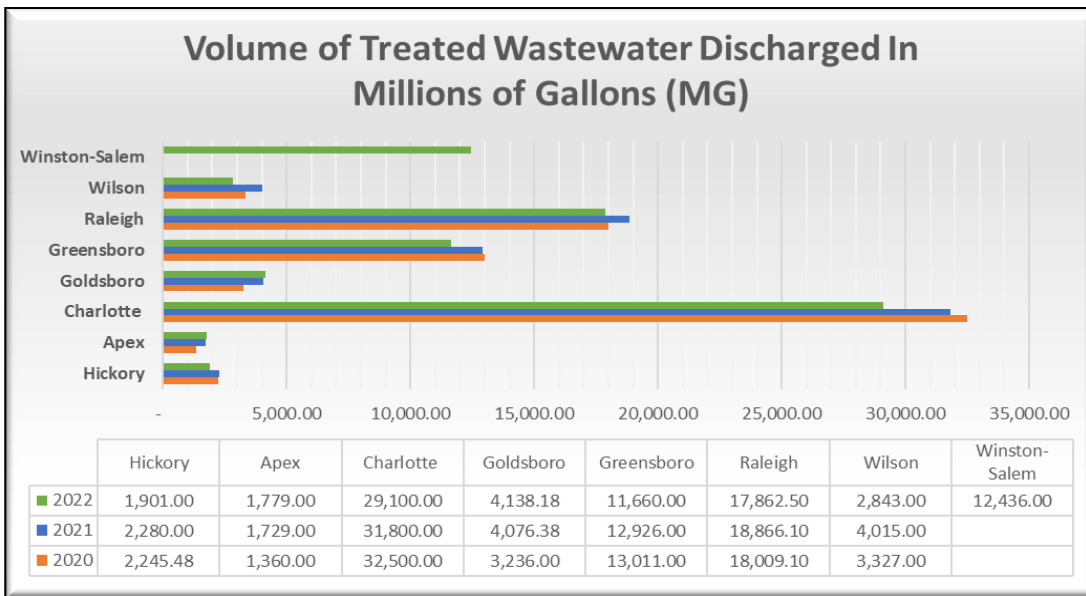
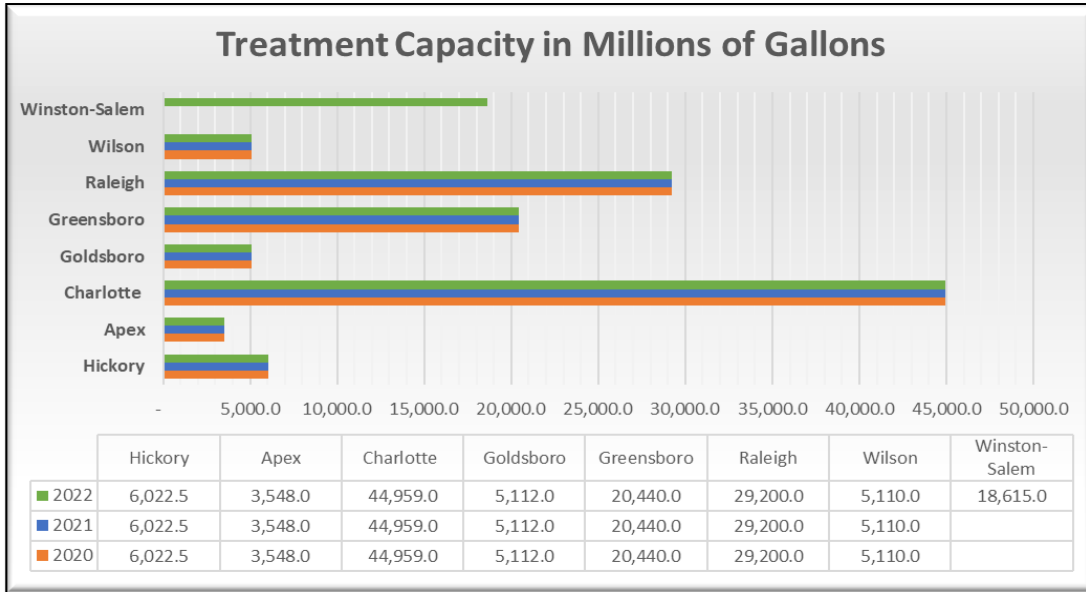
## Emergency Communications



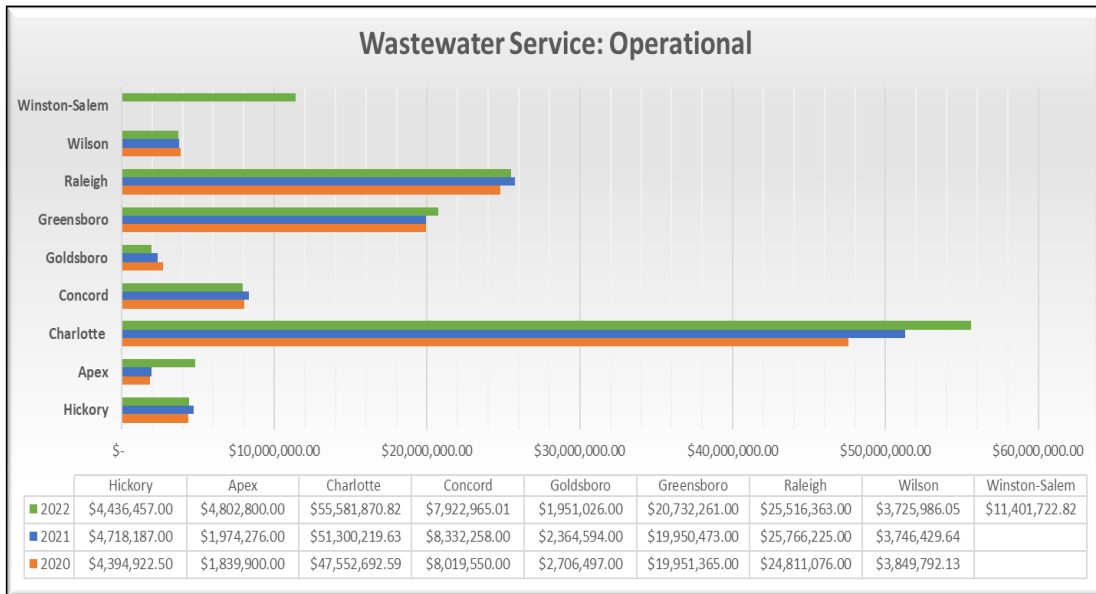
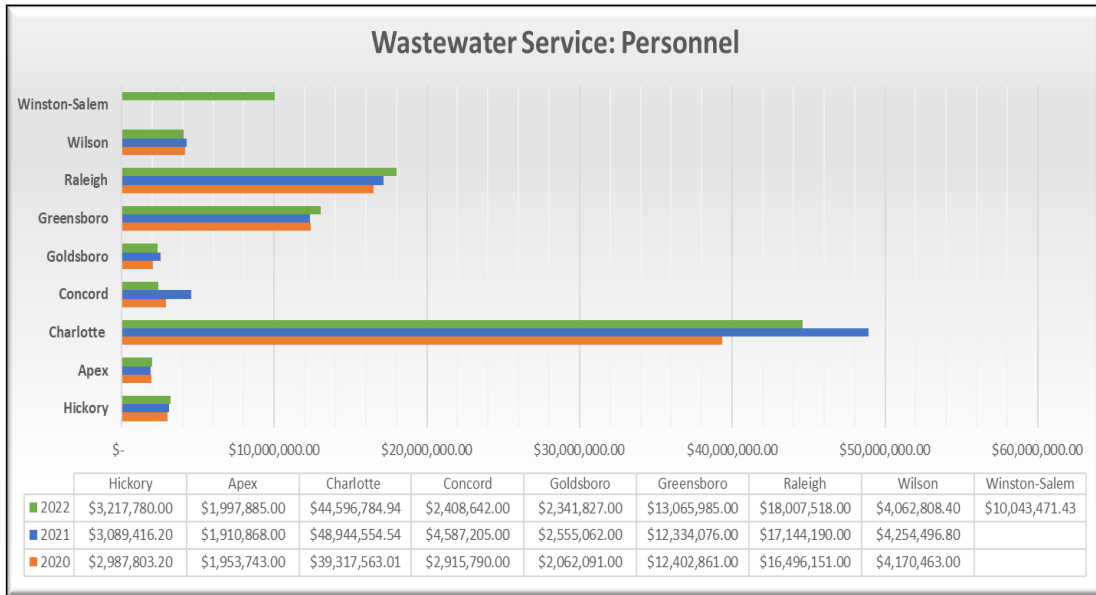
# Performance Measurement



## Wastewater Services

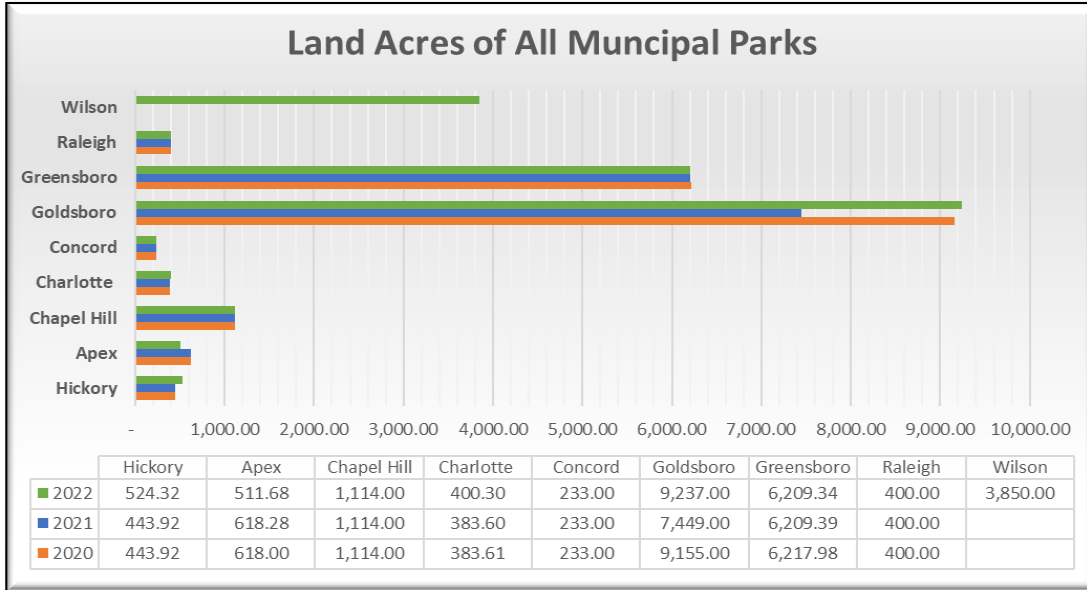


# Performance Measurement

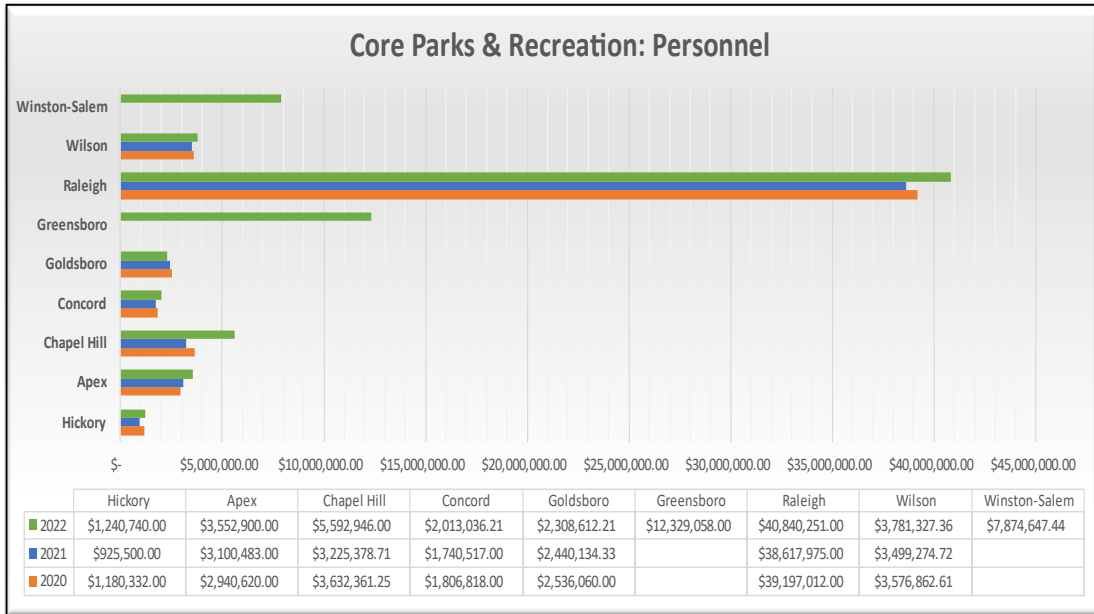




## Core Parks & Recreation



# Performance Measurement



## HISTORY

Hickory owes its early beginnings to Henry Weidner, a young German who came from Montgomery, Pennsylvania to find a new home in the South. After selecting a home site on the South Fork and Henry Rivers, he was careful to make the friendship of the Catawba Indians who had a settlement there. With his home thus established, in 1750 he married Katrina Mull and, with his brother-in-law Adam Mull, took out a land grant. The Weidner lands embraced thousands of acres. Several miles northwest of the Weidner home, at a point where the trails of the Cherokee and Catawba Indians crossed, a stagecoach turnpike was established which opened up the territory for transportation and communication.

Hickory cost 46 pounds in the King's money or \$128.80 in U.S. dollars for 360 acres located where Union Square and the Hickory Station Restaurant are located today. This same acreage was sold at public auction on May 8, 1798 in Lincoln County to Jesse Robinson, whose family deeded the property to the railroad and Hickory as a public common.



In 1846, William Hale opened a store at this stagecoach junction and established a post office under the name of Chestnut Oak. Henry Robinson, a descendant of Henry Weidner, built a tavern of logs there beneath a huge hickory tree during the 1850's. The inn was known as "Hickory Tavern."

The community of Hickory Tavern had its first Charter drawn on December 12, 1863; "Corporate limits to be one square mile, having its center the depot of Western North Carolina Railroad." Mileposts were erected in four directions (one still exists at Lenoir-Rhyne College). The legislature appointed judges to hold an election for town commissioners on the first Monday in January 1870. Thus, the Town of Hickory Tavern was established. The name was changed to the Town of Hickory by the 1873 legislature and to the City of Hickory by the 1889 legislature. Berryville was incorporated in 1895 and the name changed to West Hickory; Highland was incorporated in 1905. Both of these towns became part of the City of Hickory in 1931.

The first train operated in Hickory Tavern in 1859 opening up the area for further settlement. The first settler was Henry Link who bought the first lot in the Town of Hickory in 1858 for the sum of \$45. His house was known as The 1859 Café.

The first mayor of Hickory was Marcus Yoder who held court in his store on the west end of Union Square and used his warehouse for a "calaboose" (local jail).

The community of "Hickory Tavern" was one of the first towns in North Carolina to install electric lights in 1888 and also a water works and complete sewage system in 1904.

Another milepost in Hickory's history is the adoption of the Council-Manager form of government on March 17, 1913, becoming the first city in the state and the third city in the country to adopt the Council-Manager form of government.

Hickory has always been a very progressive and innovative city. Hickory has been known as the "Industrial Hub of Western North Carolina", "The City that does Things", and the "Best Balanced City". The entrepreneurial spirit of its citizens has been recognized nationally with Hickory being named an All-America City three times, in 1967, 1987, and 2007.

# Supplementary Information

## DEMOGRAPHIC INFORMATION

With a population of 43,532 the City serves as a trade, distribution, communications and service center to approximately 370,000 people due to its location at the geographic center of a four-county region and its ready access to major transportation facilities. Historically, the City's economy was influenced by a significant concentration in the manufacturing trade; however, over the past several years this has shifted. Principal industries now include wholesale grocery, retail trade, communications, utilities, health care, textiles, real estate, and furniture.



The principal taxpayers for Hickory include Merchants Distributors Inc., Corning Cable Systems LLC, Duke Energy Corp., Valley Hills Mall LLC, American Med International, Tate Boulevard LLC, HSM Solutions, Shurtape Technologies, Inland Western Hickory-Catawba LLC, and Legends of Hickory LLC.

The City of Hickory provides access to many social and economic resources. Hickory offers extensive educational opportunities with two colleges in the area: Catawba Valley Community College (CVCC) and Lenoir-Rhyne University, a fully accredited liberal arts university affiliated with the North Carolina Evangelical Lutheran Church of America. In addition, the City is home to the Hickory Metro Higher Education Center.



The citizens of Hickory and surrounding areas enjoy minor league baseball at L.P. Frans Stadium, home of the Hickory Crawdads.

The SALT Block (Sciences, Arts and Literature Together) provides wide-ranging cultural experiences for adults and children alike. Hickory also offers significant resources in visual and performing arts such as the Hickory Community Theater, its own regional symphony orchestra, and several historic sites and museums.





# Supplementary Information



JURISDICTION	POPULATION	SIZE (SQUARE MILES)
City of Hickory	43,532	30.7
Catawba County	162,790	416

(Sources: NC Office of State Management and Budget, Catawba County Government, and US Census Bureau)



## MILESTONES IN HICKORY

- 1986 Opening of the Arts Center of Catawba Valley
- 1987 Hickory named “All America City” for the second time
- 1989 Construction begins on new US 321 Corridor
- 1992 Opening of 32 million gallons-per-day water plant
- 1993 First Baseball Game at Hickory’s L.P. Frans Stadium
- 1996 Police Department moves to new state-of-the-art facility
- 1997 Hickory named “One of 10 Best Places to Live” by Reader’s Digest Magazine
- 1997 Hickory ranked 189 out of 300 MSA’s by Money Magazine (17-point improvement over 1996) Hickory ranked 16<sup>th</sup> among medium-sized cities in the South as being “...the most livable place to live in the nation” by Money Magazine
- 1998 Hickory Public Library is named one of the five best in the nation by Gale Research and Library Journal
- 2000 Hickory Public Library is the first Public Library in North America to use “smart card” technology
- 2000 During the year 2000, the one-millionth person walked through the doors of the Hickory Public Libraries.
- 2001 City and county government officials announce the Hickory Metropolitan Higher Education Center, a collaboration of Lenoir-Rhyne College, Catawba Valley Community College (CVCC) and Appalachian State University. The announcement and signing of a collaborative agreement by the three higher education institutions culminated more than two years of discussions and planning.
- 2006 McDonald Parkway connector opens and is the 2.8 mile connector between Interstate 40 and Springs Road.
- 2007 Hickory named an “All-America City” for the third time
- 2007 North Carolina Center for Engineering Technologies begins classes. The City of Hickory was part of the coalition that helped bring Western North Carolina engineering courses to Hickory.
- 2008 Hickory will begin a \$25 million upgrade of the Northeast Wastewater Treatment Plant.
- 2010 North Carolina Department of Transportation completed the Lenoir-Rhyne Boulevard project.
- 2012 Hickory gained ownership of the Fixed Based Operator (FBO) at the Hickory Regional Airport.
- 2014 Voters of Hickory overwhelming approved the \$15 and \$25 million dollar Hickory Bond Referendum in November 2014. These bonds will be used for various projects throughout the city including Business Park 1764, Riverwalk, City Walk and improving all of the City’s major roads and gateways.
- 2018 Hickory was awarded a \$17 million federal BUILD grant for the Aviation Walk and City Walk connector.
- 2018 The City, Catawba County, and Catawba County EDC broke ground on Trivium Corporate Center.
- 2020 Hickory celebrated its Sesquicentennial Anniversary for 150 years.
- 2020 Hickory added its first artificial turf field at Henry Fork River Park.
- 2020 Hickory launched the Hickory Affordable Housing Initiative.

# Supplementary Information

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- 2020 Hickory Fire Department earned a Class 1 ISO rating, which is the highest rating possible and ranks the Hickory Fire Department among the nation's best.
- 2021 Hickory and Burke County partnered to construct a new 12,000-square-foot airplane hangar at the Hickory Regional Airport.
- 2021 Ridgeview Branch Library completed a renovation and expansion.
- 2021 Trivium Corporate Center purchased 108 acres, named Trivium East, to expand the successful business park for further industrial development.
- 2021 Hickory celebrated the grand opening of the City Walk, the first of five segments of the Hickory Trail, a 10-mile multiuse path that is designed to improve the quality of life and sieve economic development by connecting destinations across the city.
- 2022 Hickory started construction of a 15.4 dry ton per day Biosolids Facility.
- 2022 Microsoft announced plans to invest a minimum of \$1 billion in the phased development of four datacenters in Catawba County over the next 10 years. Two of the four locations will be in Hickory
- 2023 Hickory Metro Convention Center began its renovation and expansion.
- 2023 Appalachian State University opened the Hickory campus and welcomed its first students at the Hickory metro's first four-year public university.

## CITY OF HICKORY AWARDS AND RECOGNITIONS

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All-America City Award  
National Civic League  
1967, 1987, 2007

10 Best Places to Raise a Family Reader's Digest

All-America City  
National Civic League  
Three times Awarded, Four times finalist

One of the top 300 "Best Places to Live" in the United States  
Money Magazine Annual Survey

One of the top 20 "Most Entrepreneurial Cities in America"  
Incorporated Magazine

An "economic success story" Federal Reserve Bank of Richmond

"A reputation for fiscal soundness"  
North Carolina Securities Advisory Commission

"Affordable Cost of Living"  
American Chamber of Commerce Researchers Association

"5<sup>th</sup> Best Small Town in the Country for Manufacturing"  
Outlook Americas Magazine

"7<sup>th</sup> in the United States as an Entrepreneurial Hotspot"  
Nations Business Magazine

"7<sup>th</sup> Best Small Metro Area to Start a Business"  
Cogentics Research

"8<sup>th</sup> Best World-Class Community"  
Industry Week

"Hickory is Booming"  
Wall Street Journal

"8<sup>th</sup> Best Quality of Life in North Carolina"  
Business North Carolina

Distinguished Budget Presentation Award  
Government Finance Officers Association  
1994-1995 through 2021-2022



# Supplementary Information



Certificate of Achievement for Excellence in Financial Reporting  
Government Finance Officers Association  
1995-1996 through 2021-2022

Certificate of Safety Achievement  
North Carolina Department of Labor

One of 12 Parks & Recreation Departments chosen to participate  
in the national "Hearts 'N Parks" Program National Recreation and Parks Association

North Carolina Governor's Business Award  
Awarded to the SALT Block

One of top 5 finalists for "Library of the Year"  
Library Journal and the Gale Corporation

Named as a model city for the Composer in Residence award  
Meet the Composer Foundation

Finalist – Computerworld/Smithsonian Innovative Technology Award  
For the Hickory Library Smart Card System

National "Learn Not to Burn" Champion  
National Fire Protection Association

Operation Life Safety Award  
International Association of Fire Chiefs/National Sprinkler Association

Award of Excellence in Fire and Life Safety  
North Carolina Fire Education Board  
Risk Watch Champion program site  
National Fire Protection Association

Best Dressed Police Department in the Nation  
National Uniform Manufacturers Association

Web site ranks Hickory among top U.S. Hometowns  
Web company ePodunk Inc. Ranks Hickory Second in the top ten list for towns

Digital Government Award of Excellence  
Web Site of Distinction

Hickory received Tree City USA award 2005, 2006, 2007

Hickory designated as a North Carolina Main Street  
Community by the North Carolina Department of Commerce 2006

The Friends of Hickory Public Library received the Volunteer of the Year Award (West Central District) for "Exemplary Service and Dedication to the Friends of Hickory Public Library" to Mary Ann Crane in 2008 and to Paula Finnegan in 2009

Hickory was a Best Tennis Town finalist-2009

# Supplementary Information



Hickory's Parks and Recreation Department was named Playful City USA 2011 and 2012

North Carolina City County Communications (NC3C) Awards 2009

Hickory received the 2010 "BELIEF" Award from Champions of Education

Hickory received the 2010 ICMA Community Sustainability Award for  
"Operation No Vacancy"

2011 Excellence in Communications  
1<sup>st</sup> Place Printed Publications - Annual Report  
1<sup>st</sup> Place Special Events - International Springfest  
1<sup>st</sup> Place Communication Technology - Website

Hickory earned the prestigious Playful City USA 2011 award from KaBOOM

Hickory Public Library received the Outstanding Children's and Family Program Award (Medium Size Library) for the 2011 Summer Reading Program "*Where in the World is Lucy*" from the North Carolina Public Library Directors Association.

The Friends of Hickory Public Library received the Frances B. Reid Award for Outstanding Service to the Library and Community: 2004, 2006 and 2011

Hickory Human Resources received the 2012 "Healthiest Employer Award"

In June 2012, The City of Hickory Fire Department was recognized for two prestigious awards, the "Pro Patria Award" and the "Freedom Award". The City of Hickory was chosen from across the state of North Carolina as the best supporter in the Government category. From that award, they were then submitted to represent North Carolina for the national award in September. The City of Hickory was chosen as one of the top 10% of employers who hire Guardsmen and Reservist in North Carolina. The selection was based on information supplied by Hickory Senior Firefighter Patrick Auton, who served in Iraq in 2010 for four months. Patrick also served in 2004 for one year and two weeks.

Excellence in Communication Citizen Participation First Place Award for the Zahra Baker All Children's Playground community build and fundraising campaign.

Excellence in Communication Special Events First Place Award for the Zahra Baker All Children's Playground ribbon cutting and dedication event.

Excellence in Communication Most Creative Project with the Least Amount of Funds First Place Award for the Catawba Communities show that airs on Charter's Government Channel (this was a joint award with Catawba County).

Hickory Public Library was selected to be among the first institutions in the country to take part in the Edge Initiative, a ground-breaking, national initiative that provides libraries with new strategies and tools to help achieve community priorities through enhanced technology.

Hickory Public Library received an income distribution of almost \$40,000 from the library's five endowment funds for the first time since 2009.

Sarah Nelson was awarded 2013 Civilian of the Year

# Supplementary Information



North Carolina Gang Investigators Association

Street Crimes Interdiction Unit was awarded 2013 Gang Unit of the Year  
North Carolina Gang Investigators Association

The Hickory Fire Department was nominated and received the 2014 "Giving from the Heart" Volunteer Award for their work benefitting the Catawba County Christmas Bureau

Rich Jenkins, Hickory Firefighter, received the 2015 Dedicated Service Award  
Western North Carolina Association of Firefighters

Tamara Faulkner awarded the 2015 Paralibrarian of the Year  
Library Journal

Hickory Public Library received a \$20,160 grant to develop a new strategic plan for 2015-2018. Grant funds came from the Institute of Museum and Library Services, under the provisions of the federal Library Services and Technology Act, as administered by the State Library of North Carolina, a division of the Department of Cultural Resources

Hickory Public Library received an income distribution of \$43,530  
Library's Endowment Fund administered by the North Carolina Community Foundation 2015

Hickory Police Department received the Safe Kids Certificate of Appreciation 2015

Police Chief Tom Adkins awarded the 2015 Bill Dalton Unsung Hero Award  
Special Olympics

The Zahra Baker All Children's Playground at Kiwanis Park received the Macaroni Kid of Hickory/Western Piedmont's 2015 Gold Daisy Award for Favorite Outdoor Place

Assistant City Manager Andrea Surratt awarded 2015 Assistant Manager of the Year  
North Carolina City County Managers Association (NCCCMA)

Communications and Marketing Manager, Dana Kaminske was elected as the Vice President  
NC3C (North Carolina City County Communicators)

Lisa Drum was awarded the 2015 Arthur J. Barnett Planner of the Year  
International Association of Law Enforcement Planners

Friends of the Library board member Lucy Kearns recognized as 2015 Volunteer of the Year  
Friends of North Carolina Public Libraries

Hickory Public Library received an award for Best Program 2016  
North Carolina Public Library Directors Association

City of Hickory was awarded the 2016 Silver Well Business Award  
Catawba County Cancer Task Force

Staff Attorney, Arnita Dula, was awarded the 2016 Citizen-Lawyer Award  
North Carolina Bar Association

# Supplementary Information

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2023 Hickory MSA holds “most affordable metro” spot and moves up livability rankings  
US News & World Report

2023 Where Americans Want to Live: These Ultra-Affordable, Up-and Coming Real Estate Markets  
Realtor.com

2023 Hickory listed among 10 Most Beautiful and Affordable Places to Live in the U.S.  
Travel + Leisure

## **2022—2023 DEPARTMENT ACCOLADES**

\*\*\*\*\*

2022 North Carolina honors the City of Hickory Water Treatment Plant with the North Carolina Area Wide  
Optimization Award

2022 The Finance Department received the Government Finance Officers Association’s (GFOA) Certificate of  
Achievement for Excellence in Financial Reporting for it’s Annual Comprehensive Financial Report (ACFR)

2022 The Hickory Public Library received three awards from the North Carolina Public Library Directors Association  
(NCPLDA): Programming Award for Medium Library: Sheep to Sweater Series; Service Innovation Award for Medium  
Library: Plant Share & Propagation Library; Facility Renovation Recognition: Ridgeview Branch Library

2023 Office of Communications won two first place and a second place Awards of Excellence from North Carolina  
City & County Communicators (NC3C)

# Supplementary Information



## Hickory's Tax Base by Type (FY2022-2023) Estimated through March 2023

Type	Catawba	Burke	Caldwell	TOTAL
Real	3,921,051,875	10,095,313	84,997,901	4,016,145,089
Personal	757,310,802	56,958,135	30,951,670	845,220,607
Public Services	131,249,164	782,099	51,190,955	183,222,218
<b>TOTAL</b>	<b>4,809,611,841</b>	<b>67,835,547</b>	<b>167,140,526</b>	<b>5,044,587,914</b>

CITY OF HICKORY, NORTH CAROLINA PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO							
Taxpayer	2022			2013			
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	
Merchants Distributors Inc	\$ 158,435,601	1	2.99%	\$ 132,875,375	1	2.60%	
Corning Cable Systems	119,356,881	2	2.25%	68,286,524	2	1.43%	
Duke Lifepoint	76,387,670	3	1.44%	27,951,200	7	0.76%	
Duke Energy Carolinas LLC	62,740,160	4	1.18%	35,409,121	5	0.73%	
Shurtape Technologies Inc	40,644,534	5	0.77%	25,495,031	10	0.55%	
Valley Hills Mall LLC	38,955,068	6	0.73%	45,891,969	3	0.98%	
Hickory Ridge Owner LLC	26,348,600	7	0.50%				
Hickory Springs Mfg Co	24,652,591	8	0.46%	25,549,984	9	0.54%	
Tate Boulevard I, II, III & IV LLC	23,571,700	9	0.44%	29,707,300	6	0.63%	
Legends of Hickory LLC	23,056,600	10	0.43%				
American Med International	-			37,250,090	4	0.85%	
Inland Western Hickory-Catawba LLC	-			26,753,200	8	0.57%	
Total	\$ 594,149,405		11.19%	\$ 455,169,794		9.64%	

# Supplementary Information



## Hickory Metro Area Water & Sewer Comparisons

As of January 1, 2023 per UNC School of Government, Environmental Finance Center Water & Sewer Rates Dashboard

<b>City/County</b>	<b>Water Rate</b> per 5,000 Gallons	<b>Sewer Rate</b> per 5,000 Gallons	<b>Total</b>
Burke County	\$ 55.00	\$ 55.00	\$ 110.00
City of Conover	\$ 26.54	\$ 34.66	\$ 61.20
City of Newton	\$ 68.04	\$ 91.94	\$ 159.98
Town of Taylorsville	\$ 37.50	\$ 37.50	\$ 75.00
Average	\$ 46.77	\$ 54.78	\$ 101.55
<b>City of Hickory</b>	<b>\$ 27.11</b>	<b>\$ 35.02</b>	<b>\$ 62.13 Current</b>

# Supplementary Information

## Ten Largest Water Users By Volume July 1, 2021 – June 30, 2022



### I. WATER

	CUSTOMERS	CUBIC FEET	GALLONS	REVENUE
1	CONOVER, CITY OF	68,827,906	514,832,737	\$ 513,318.55
2	MAIDEN, TOWN OF	53,087,038	397,091,044	\$ 481,733.40
3	LONGVIEW, TOWN OF	36,747,521	274,871,457	\$ 390,317.46
4	ICARD TOWNSHIP WATER CORP	24,441,768	182,824,424	\$ 263,331.16
5	APPLE	17,279,172	129,248,207	\$ 486,944.87
6	COH/ CITY OF HICKORY	5,589,310	41,808,039	\$ 110,413.88
7	CATAWBA VALLEY MEDICAL CENTER	4,843,397	36,228,610	\$ 91,563.27
8	ALEXANDER CORR INST (PRISON)	4,324,495	32,347,223	\$ 125,286.06
9	MDI	3,158,525	23,625,770	\$ 60,564.95
10	CATAWBA CO BOARD OF EDUCATION	2,763,708	20,672,536	\$ 131,464.25
		221,062,840	1,643,201,455	\$ 2,654,937.85

### II. SEWER

	CUSTOMERS	CUBIC FEET	GALLONS	REVENUE
1	LONGVIEW, TOWN OF	20,559,559	153,785,500	\$389,077.31
2	BURKE COUNTY	14,718,968	110,097,878	\$278,547.62
3	CATAWBA VALLEY MEDICAL CENTER	4,809,291	35,973,497	\$144,927.39
4	MDI	3,158,525	23,625,770	\$89,594.16
5	NU-DIMENSION INC	2,563,888	19,177,882	\$91,498.13
6	SHURTAPE TECH	2,550,025	19,074,187	\$80,751.52
7	FRYE REGIONAL MEDICAL CENTER	2,367,640	17,709,947	\$50,868.90
9	LENOIR RHYNE UNIVERSITY	2,187,571	16,363,031	\$94,913.76
8	LEGENDS AT HICKORY	1,744,495	13,048,823	\$74,273.60
10	SHOOK & TARLTON	1,611,169	12,051,544	\$47,888.02
		56,271,131	508,582,103	\$ 1,342,340.41

# Supplementary Information



## City of Hickory Pay Plan July 1, 2023

### General Pay Plan

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
10	Airport Customer Service Representative Administrative Technician I Animal Control Officer Customer Service Representative I Library Assistant Parking Enforcement Officer Police Records Clerk	\$31,152.01	\$39,874.57	\$48,597.14
11	Administrative Technician II Airport Line Technician Customer Service Representative II Payroll Technician - Public Services Police Records Clerk Specialist	\$32,729.08	\$41,893.23	\$51,057.37
12	Administrative Assistant Airport Maintenance Specialist Community Development Technician FBO Supervisor Library Maintenance Coordinator Library Technician Planning Technician Public Utilities Technician Senior Customer Service Representative	\$34,386.00	\$44,014.09	\$53,642.17
13	Accounting Technician Recreation Programmer Sports Programmer	\$36,126.80	\$46,242.30	\$56,357.80
14	Billing Specialist Circulation Supervisor Fire Education Assistant Human Resources Coordinator Library Outreach Coordinator Parks, Rec. & Sports Tourism Budget Coordinator Payroll Specialist Police Records Supervisor Zoning Enforcement Officer	\$37,955.71	\$48,583.30	\$59,210.90



# Supplementary Information



15	Community Engagement Coord-Ridgeview Branch Multimedia Coordinator IT Budget & Logistics Coordinator Police Budget & Logistics Coordinator Police Media & Community Service Coord Senior Fire Mechanic Transportation Inspection and Plan Review	\$39,877.22	\$51,042.84	\$62,208.47
16	Accountant Central Services Supervisor Code Enforcement Officer IT Analyst Recreation Facilities & Program Supervisor Senior Recreation Programmer Sports Coordinator Sports Tourism Coordinator Utilities Budget Coordinator	\$41,895.99	\$53,626.87	\$65,357.75
17	Airport Operations Supervisor Business Services Coordinator Community Navigator Executive Assistant / Paralegal Fire Education Coordinator Fire Maintenance Supervisor Fire Prevention Inspector Police Crime Analyst Police Gang Intelligence Crime Analyst Recreation Center and Events Coordinator Reference Librarian Health and Safety Coordinator Senior Code Enforcement Officer	\$44,017.00	\$56,341.76	\$68,666.52
18	Digital Services Coordinator Community Development Specialist Planner Senior Accountant	\$46,245.35	\$59,194.05	\$72,142.75
19	Budget Analyst Human Resources Analyst Occupational Health Nurse Senior Planner	\$48,586.50	\$62,190.72	\$75,794.94
20	Billing and Collections Manager Communications Specialist Systems Analyst	\$51,046.19	\$65,339.13	\$79,632.06

# Supplementary Information



21	Assistant Finance Officer City Clerk GIS Manager Governmental Affairs Analyst IT Architect Library Branch Manager Library Head of Reference and Tech Services Planning Manager Senior Police Digital Forensic Evidence Tech Senior Systems Analyst	\$56,345.46	\$73,249.10	\$90,152.74
22	Infrastructure Grants Manager	\$62,194.83	\$80,853.28	\$99,511.73
23	Airport Manager Business & Community Development Manager Communications & Marketing Manager Finance Officer Information Technology Manager	\$68,651.48	\$96,112.07	\$123,572.66
24	Assistant Public Utilities Director Executive Assistant Manager Transportation Planning Manager	\$75,778.39	\$106,089.74	\$136,401.10
25	Deputy Attorney Human Resources Director IT Director Library Director Director of PRST Planning Director	\$79,567.31	\$111,394.24	\$143,221.17
26	Public Utilities Director Public Works Director	\$83,545.68	\$116,963.95	\$150,382.22
27	Assistant City Manager Deputy City Manager / CFO	\$102,000.00		

# Supplementary Information



## Police Pay Plan

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
40	Telecommunicator	\$36,000.00		\$54,000.00
	Sr. Telecommunicator	\$39,465.73		\$59,198.60
	Lead Telecommunicator	\$45,350.48		\$68,025.72
	Police Communication Supervisor	\$49,786.89		\$74,680.34
41	Police Officer	\$48,070.00		\$58,520.00
42	MPO	\$53,452.00		74,195.00
43	Sergeant	\$60,088.00		\$84,645.00
44	Lieutenant	\$68,970.00		\$97,185.00
45	Captain	\$78,375.00		\$110,770.00
46	Deputy Chief	\$84,645.00		\$134,805.00
47	Chief of Police	\$100,320.00		\$150,480.00

## Fire Pay Plan

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
52	Firefighter	\$42,850.00		\$64,275.00
58	FAO I	\$47,000.00		\$70,500.00
59	FAO II	\$49,350.00		\$74,025.00
62	Fire Captain I	\$55,000.00		\$82,500.00
63	Fire Captain II	\$57,750.00		\$86,625.00
66	Battalion Chief I	\$64,000.00		\$96,000.00
70	Battalion Chief II	\$67,200.00		\$100,800.00
74	Deputy Chief	\$80,000.00		\$130,000.00
78	Fire Chief	\$100,320.00		\$150,480.00

# Supplementary Information



## Fire Pay Plan

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
80	Fleet Vehicle Service Technician Meter Reader Transfer Station Operator	\$33,280.00	\$42,598.40	\$51,916.80
81	Groundskeeper Horticultural Technician Maintenance Tech I Park Supervisor	\$34,944.00	\$44,728.32	\$54,512.64
82	Construction Worker Electrician Apprentice Equipment Operator GPS Field Tech I Maintenance Tech II Meter Mechanic Utilities Warehouse Coordinator Utility Locate Technician Welder	\$36,691.20	\$46,964.74	\$57,238.27
83	Arbor Tech I Heavy Equipment Operator Laboratory Technician I Maintenance Tech III Maintenance Mechanic Fleet Mechanic I Parts Specialist Pretreatment Technician Senior Groundskeeper Solid Waste Equipment Operator Wastewater Treatment Plant Operator I Water Quality Technician Water Treatment Plant Operator I	\$38,525.76	\$49,312.97	\$60,100.19
84	Arbor Tech II CAD Operator / Land Survey Tech Cemetery Sexton Central Warehouse Coordinator Crew Leader Solid Waste Heavy Equipment Operator Wastewater Treatment Plant Operator II Water Treatment Plant Operator II	\$40,452.05	\$51,778.62	\$63,105.19
85	Maintenance Mechanic Crew Leader Special Projects Crew Leader Wastewater Treatment Plant Operator III Water Treatment Plant Operator III	\$42,474.65	\$54,792.30	\$67,109.95

# Supplementary Information



86	Electrician Fleet Mechanic II GIS Analyst Horticulture Specialist Transportation Inspection and Plan Review Turf Grass Specialist	\$44,598.38	\$57,085.93	\$69,573.48
87	Chemist Senior Laboratory Technician Senior Wastewater Treatment Plant Operator Senior Water Treatment Plant Operator Traffic Signal / Radio Operator	\$46,828.30	\$59,940.23	\$73,052.15
88	Building Services Supervisor Landscape Services Supervisor Meter Operations Supervisor Parks Maintenance Supervisor Solid Waste Supervisor	\$49,169.72	\$62,937.24	\$76,704.76
89	Fleet Maintenance Supervisor Senior Land Surveyor Street Maintenance Supervisor Traffic Signal System Operator Utilities Supervisor	\$51,628.20	\$66,084.10	\$80,540.00
90	Building Services Coordinator Construction Operations Coordinator Maintenance Operations Coordinator Pretreatment Coordinator Utilities Inspector/Plan Reviewer	\$54,209.61	\$69,388.30	\$84,567.00
91	Civil Engineer I Wastewater Treatment Plant Superintendent Water Treatment Plant Superintendent	\$59,630.57	\$77,519.75	\$95,408.92
92	Civil Engineer II Solid Waste Manager Street Maintenance Manager	\$62,612.10	\$81,395.73	\$100,179.37
93	Environmental Manager Fleet Manager Infrastructure Manager Senior Civil Engineer Parks & Public Properties Manager	\$65,742.71	\$85,465.52	\$105,188.33
94	Construction Project Manager Transportation & Engineering Manager	\$69,029.84	\$96,641.78	\$124,253.72

# Budget Glossary

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**Accrual** - The accounting method under which revenues are recognized on the income statement when they are earned rather than when the cash is received.

**Activity** - Departmental efforts which contribute to the achievement of a specific set of program outcomes; the smallest unit of the program budget.

**Allocate** – To set apart portions of budgeted expenditures and/or revenues which are specifically designated to organizations for special activities or purposes.

**ADA** - This is the commonly used acronym for the Americans with Disabilities Act.

**Ad Valorem Taxes** - Revenue accounts showing taxes paid on real property and personal property, to include property of public service companies allocated by the Ad Valorem Tax Division of the State Department of Revenue. Generally, *Ad Valorem Taxes* are those levied in proportion to the value of a property.

**Annual Budget** – A spending plan covering a single fiscal year.

**Appropriation** - A funding authorization granted by the City Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinance.

**Assessed Valuation** - The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

**Assessment** – The process for determining values of real and personal property for taxation purposes.

**Authorized Bond** – Bonds which have been legally approved but may or may not have been sold.

**Balanced Budget** – An annual spending plan characterized by an equal (i.e. “balanced”) amount of anticipated revenues and expenditures. In North Carolina, the statutes require that the adopted budget be in balance.

**Basis of Accounting** - A term used to refer to when revenues, expenditures, expenses, and transfers--and the related assets and liabilities--are recognized in the accounts and reported in the financial statements. The City of Hickory uses the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

**Bond** - A written promise to pay a specific amount of money with interest within a specific time period, usually long-term. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

**Bond Anticipation Notes (BANs)** - Short-term interest-bearing notes issued by the City in anticipation of bonds which are issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

**Bond Issued** – Bonds that are sold.

**Bond Rating** – A grade indicating a governmental unit’s investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing capital projects funded by bonds. A high rating is indicative of a Governmental unit’s strong financial position. Ratings range from AAA (highest) to D (lowest).

# Budget Glossary

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**Budget** - A statement in dollar terms of the City's program of service delivery for the ensuing fiscal year.

**Budget Amendment** - A legal procedure utilized by the City staff and the City Council to revise a budget appropriation.

**Budget Calendar** - The schedule of key dates that the City's departments follow in the preparation, adoption and administration of the budget.

**Budget Document** - A formal document presented to the City Council containing the City's detailed financial plan for a fiscal year.

**Budget Message** - The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

**Budget Ordinance** - The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

**Budgetary Control** - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**CAFR** - The acronym used for Comprehensive Annual Financial Report.

**Capital Assets** - Land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment with a value of \$5,000 or more.

**Capital Improvement Plan** - A long term plan of proposed improvement projects which includes estimated project costs and funding sources that the City expects to undertake within a five year period to acquire or construct capital assets. The plan is updated annually to reassess capital needs.

**Capital Outlays** - An expenditure expected to have a useful life greater than three years or an estimated total cost of \$5,000 or more. This involves the construction, purchase, or major renovation of a building or the purchase of land, as well as the acquisition of vehicles and equipment.

**Capital Reserve** - An account used to indicate that a portion of a fund's balance is legally restricted for a specific capital purpose and is, therefore, not available for general appropriation.

**Cash Management** - The management of cash necessary to pay for governmental services, while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing, and maintaining banking relationships.

**Category** - A consolidation of expenditures to measure personnel, operations, capital, contingency, special appropriations, debt service, transfers, and pro rata administrative services activities.

**CDB** - The acronym used for the Central Business District.

**CDBG** - The acronym used for Community Block Grant Fund.

**City Council** – Five-member Governing Board elected by the voters of the City for four year terms.

# Budget Glossary

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**CIP** - The acronym used for Capital Improvement Plan.

**Classification** - Assignment of a position title and an associated pay range based on the job skills required for a particular position.

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**CPI** - The acronym used for Consumer Price Index.

**CVB** - The acronym used for Convention Visitors Bureau.

**Debt Service** - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

**Delinquent Taxes** – Taxes that remain unpaid after the due date on which a penalty for nonpayment is incurred.

**Department** - A major administrative division of the City that has overall management responsibility for an operation within a functional area.

**Depreciation** - The process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

**Disbursement** - Payment for goods and services in cash or by check.

**Earmark** - To designate funds for a specific use.

**EDC** - The acronym used for Economic Development Corporation.

**Encumbrance** - The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside, or commit funds for future expenditures. A financial commitment for services, contracts, or goods that have not as yet been delivered or performed.

**Enterprise Fund** - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for the services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Hickory are established for services such as water and sewer, sludge composting, and solid waste and recycling services.

**EPA** - The acronym used for Environmental Protection Agency.

**Estimated Revenue** - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the City Council in the annual budget.

**ETJ** - The acronym used for Extra Territorial Jurisdiction.

**Expenditure** - The outflow of funds for assets that are incurred, or goods and services obtained, regardless of when the expense is actually paid. This term applies to all funds.



# Budget Glossary

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**Expenses** - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest and other charges.

**Fiscal Policy** - The financial plan embracing the general goals and acceptable procedures of a governmental unit.

**Fiscal Year (“FY”)** - The time period designating the beginning and ending period for recording financial transactions. The City of Hickory’s fiscal year begins July 1st and ends on the following June 30th. Budgeting is carried out on a fiscal year schedule.

**Fixed Assets** - Assets of long-term character which are intended to continue to be held or used by the City, including land, buildings, machinery, furniture and other equipment.

**FTE** - The acronym used for “full-time equivalent” when considering both the number and cost of Human Resource personnel as applicable to city services.

**Function** - A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal, or a major service.

**Fund** - An accounting entity that possesses a set of self-balancing accounts and records all financial transactions for specific activities or government functions.

**Fund Balance** - Fund balance is the amount of assets in excess of the liabilities appropriated for expenditure, and is therefore also known as surplus funds. North Carolina statutes dictate that a portion of fund balance should be retained and not made available for appropriation in the following fiscal year.

**Fund Balance Appropriated** - A budgetary amount representing the fund’s equity to be used to offset expenditures. Fund balance appropriated cannot exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year preceding the budget year.

**General Accepted Accounting Principles (GAAP)** - Uniform minimum standards of, and guidelines for, financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

**GASB 34** - The acronym used for Governmental Accounting Standards Board Statement #34: “Basic Financial Statements- Management’s Discussion and Analysis - For State and Local Governments”.

**GA** - The acronym used for the North Carolina General Assembly.

**General Fund** - The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, information technology, public works, general administration, planning and development, engineering, and recreation and cultural activities.

**General Ledger** - A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

# Budget Glossary

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**General Obligation Bonds** - Bonds that finance a variety of public projects such as streets, buildings, and improvements. Repayment of these bonds is usually made from the General Fund, and the bonds are backed by the full faith and credit of the issuing government.

**Geographic Information System (GIS)** - A project which will link the City to a county-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by City departments.

**GFOA** - The acronym used for Government Finance Officers Association of the United States and Canada.

**Goal** - A statement of broad direction, purpose, or intent based on the needs of the community. A goal is general and timeless. It is not concerned with a specific achievement in a given time period.

**Governmental Funds** - There are three groups of funds for which financial statements are prepared- governmental, proprietary, and fiduciary. Proprietary funds are employed to report on activities financed primarily by revenues generated by the activities themselves, such as a utility. Fiduciary funds contain resources held by a government but belonging to individuals or entities other than the government. Governmental funds account for everything else. The City of Hickory has three types of governmental funds:

- General Fund and like funds
- Special Revenue Funds
- Capital Project Funds

**Grant** - A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed by the grantee.

**HPD** - The acronym used for Hickory Police Department.

**Indirect Cost** - The component of the total cost for a service that is provided by and budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services such as those provided by the Administrative Departments.

**Interfund Transfers** - Amounts transferred from one fund to another.

**Intergovernmental Revenue** - Revenues from other governments (local, State, Federal) which can be in the form of grants, shared revenues, or entitlement.

**Internal Service Fund** - A fund which permits the accounting transactions of the activity involved to be isolated and the activity's full costs to be passed on to the departments and agencies that use the service.

**Inventory** - A detailed listing of property currently held by the government.

**Investment Earnings** - Revenue earned on investments with a third party. The City uses a pooled cash system, investing the total amount of cash regardless of fund boundaries. The interest earned is then allocated back to individual funds by average cash balance in that fund.

**ITRE** - The acronym used for Institute for Transportation Research and Education.

**Lease-Purchase Agreement** - An agreement that conveys the right to property or equipment for a stated period of time. It allows the City to spread the cost of the acquisition over several budget years.

**Levy** - To impose taxes, special assessments, or service charges for the support of City activities.

# Budget Glossary

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**Line Item Budget** - A budget that lists each expenditure category (salaries, material, telephone, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

**Local Government Budget and Fiscal Control Act** - This act governs all financial activities of local Governments within the State of North Carolina.

**Long Term Debt** - Debt with a maturity of more than one year after the date of issuance.

**MALSR** - The acronym used for Medium-Intensity Approach Lighting System with Runway Alignment Indicator Lights.

**Maturities** - The dates on which the principal or stated values of investments or debt obligations become due and/or may be reclaimed.

**Merit Program** - An established system to recognize and financially reward employee performance that exceeds the City's standards for a classification.

**Modified Accrual Accounting** - The accounting approach under which: 1) revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period; 2) expenditures are recognized in the accounting period in which a fund liability is incurred, and; 3) unmatured principal and interest on general long term debt is recognized when due.

**MPO** - The acronym used for Metropolitan Planning Organization.

**NCDOT** - The acronym used for North Carolina Department of Transportation.

**NCLGPMP** - The acronym used for North Carolina Local Government Performance Measurement Project.

**Net Position** - An accounting term used to describe assets minus liabilities in business type activities. Enterprise funds are used to report those functions presented as business type activities in the financial statements. Net Position may serve, over time, as a useful indicator of a government's financial position. Net Position includes: capital assets, net of related debt; restricted; and unrestricted assets.

**NEWWTP** - The acronym used for North East Waste Water Treatment Plant.

**Objectives** - A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. An objective should imply a specific standard of performance for a given program.

**Operating Expenses** - The portion of the budget pertaining to the daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as supplies, utilities, materials, and travel.

**Operating Transfers** - Routine and/or recurring transfers of assets between funds.

**Part 1 Offenses** - A law enforcement classification for major crimes, including murder, robbery, aggravated assault, etc.

**Performance Measures** - Descriptions of a program's effectiveness, or efficiency (i.e., response time to public requests, frequency of document updates).

# Budget Glossary

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**Personnel** - General category that includes salaries and wages, pensions, health insurance and other fringe benefits.

**Powell Bill Street Allocation** - Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

**Pro Rata Administrative Reimbursement** - A calculated share per department to expend/reimburse for services provided by one fund to another.

**Productivity** - A measure of the increase of service output of City programs compared to the per unit resource input invested.

**Program** - An organized set of related work activities that are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

**Property Tax** - Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

**Proprietary** - A government's continuing business type activities.

**P2C** - The acronym used for Police to Citizen.

**Reclassification** - Change in a position title and/or the associated pay range based on changes in the job skills required for a given position.

**Reserve** - A portion of fund balance earmarked to indicate what is not available for expenditure, or is legally segregated for a specific future use.

**Restricted Intergovernmental Revenues** - Grants, entitlements, and shared revenues which are recorded in the appropriate fund and classified both by source and function for which the revenues are to be spent.

**Resources** - Assets that can be used to fund expenditures. These can be such things as property taxes, user fees, beginning fund balance, or working capital.

**Restricted Net Position** - The portion of Net Position that includes cash and liquid assets that are subject to external restrictions on their use.

**Retained Earnings** - This is the total of all operating surplus since a fund was established. Only the Enterprise and Internal Service Funds report this figure.

**Revaluation** - Assignment of value to properties, buildings, vehicles, and equipment used for business and residential purposes by the Catawba County Tax Assessor's Office. Under State law, all property must be revalued no less frequently than once every eight years.

**Revenue** - Funds which the government receives as income, including tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

**Revenue Bonds** - Bonds which principal and interest are payable exclusively from earnings of an Enterprise Fund. Such bonds sometimes also contain a mortgage on the fund's property.

# Budget Glossary

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**Right-of-Way Acquisition** - Purchase of property needed by the City to perform road improvement projects and/or protection of right-of-way for future highway projects.

**Service Level** - Service(s) or product(s) which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

**Source of Revenue** - Revenues that are classified according to their source or point of origin.

**Special Assessment** - A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service, which are deemed to primarily benefit those properties.

**Special Revenue Fund** - A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures.

**Tax Base** - The assessed valuation of all taxable real and personal property within the City's corporate limits.

**Unencumbered Balance** - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for expenditures.

**Unifour Area** - The commonly used term which refers to the four-county area in which Hickory is located. The counties are Alexander, Burke, Caldwell, and Catawba.

**Unrestricted Net Position** – The portion of Net Position that includes cash and liquid assets not subject to external restrictions on their use.

**USEPA** - The acronym used for United States Environmental Protection Agency.

**VC3** - The acronym used for the company Visionary Corporate Computing Concepts.

**WWTP** - The acronym used for Waste Water Treatment Plant.

**Western Piedmont Council of Governments (WPCOG)** - A voluntary association of 27 local governments in the Unifour area of western North Carolina which provides long-range planning and technical assistance, project administration, and grants research on a broad range of issues affecting local government.

